

108TH CONGRESS
1ST SESSION

H. R. 1588

IN THE SENATE OF THE UNITED STATES

JUNE 2, 2003

Received

AN ACT

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Defense Au-
 5 thorization Act for Fiscal Year 2004”.

6 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**
 7 **CONTENTS.**

8 (a) DIVISIONS.—This Act is organized into three divi-
 9 sions as follows:

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 11 thorizations.

12 (2) Division B—Military Construction Author-
 13 izations.

14 (3) Division C—Department of Energy Na-
 15 tional Security Authorizations and Other Authoriza-
 16 tions.

17 (b) TABLE OF CONTENTS.—The table of contents for
 18 this Act is as follows:

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- Sec. 3102. Defense environmental management.
- Sec. 3103. Other defense activities.
- Sec. 3104. Defense nuclear waste disposal.
- Sec. 3105. Energy supply.

Subtitle B—Program Authorizations, Restrictions, and Limitations

- Sec. 3111. Modification of prohibition relating to low-yield nuclear weapons.
- Sec. 3112. Termination of requirement for annual updates of long-term plan for nuclear weapons stockpile life extension program.
- Sec. 3113. Extension to all DOE facilities of authority to prohibit dissemination of certain unclassified information.
- Sec. 3114. Department of Energy project review groups not subject to Federal Advisory Committee Act by reason of inclusion of employees of Department of Energy management and operating contractors.
- Sec. 3115. Availability of funds.
- Sec. 3116. Limitation on obligation of funds for Nuclear Test Readiness program.
- Sec. 3117. Requirement for on-site managers.

Subtitle C—Consolidation of National Security Provisions

- Sec. 3121. Transfer and consolidation of recurring and general provisions on Department of Energy national security programs.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

- Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

- Sec. 3301. Authorized uses of National Defense Stockpile funds.
- Sec. 3302. Revisions to objectives for receipts for fiscal year 2000 disposals.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. Authorization of appropriations.

TITLE XXXV—MARITIME ADMINISTRATION

Subtitle A—General Provisions

- Sec. 3501. Short title.
- Sec. 3502. Definitions.

Subtitle B—Maritime Security Fleet

- Sec. 3511. Establishment of Maritime Security Fleet.
- Sec. 3512. Award of operating agreements.
- Sec. 3513. Effectiveness of operating agreements.
- Sec. 3514. Obligations and rights under operating agreements.
- Sec. 3515. Payments.
- Sec. 3516. National security requirements.
- Sec. 3517. Regulatory relief.

- Sec. 3518. Special rule regarding age of former participating fleet vessel.
- Sec. 3519. Authorization of appropriations.
- Sec. 3520. Amendment to Shipping Act, 1916.
- Sec. 3521. Regulations.
- Sec. 3522. Repeals and conforming amendments.
- Sec. 3523. Effective dates.

Subtitle C—National Defense Tank Vessel Construction Assistance

- Sec. 3531. National defense tank vessel construction program.
- Sec. 3532. Application procedure.
- Sec. 3533. Award of assistance.
- Sec. 3534. Priority for title XI assistance.
- Sec. 3535. Authorization of appropriations.

Subtitle D—Maritime Administration Authorization

- Sec. 3541. Authorization of appropriations for Maritime Administration for fiscal year 2004.
- Sec. 3542. Authority to convey vessel USS HOIST (ARS-40).
- Sec. 3543. Authority to convey NDRF vessels and vessel contents.

TITLE XXXVI—NUCLEAR SECURITY INITIATIVE

- Sec. 3601. Short title.

Subtitle A—Nonproliferation Program Enhancements

- Sec. 3611. Establishment of International Nuclear Materials Protection and Cooperation Program in Department of State.

Subtitle B—Administration and Oversight of Threat Reduction and Nonproliferation Programs

- Sec. 3621. Analysis of effect on threat reduction and nonproliferation programs of congressional oversight measures with respect to such programs.
- Sec. 3622. Annual report on the use of funds appropriated for threat reduction and nonproliferation in states of the former Soviet Union.
- Sec. 3623. Plan for and coordination of chemical and biological weapons nonproliferation programs with states of the former Soviet Union.

Subtitle C—United States—Russia Relations

- Sec. 3631. Comprehensive inventories and data exchanges on nuclear weapons-grade material and nuclear weapons.
- Sec. 3632. Establishment of Duma-Congress nuclear threat reduction working group.
- Sec. 3633. Joint United States/North Atlantic Treaty Organization cooperation with Russia on theater-level ballistic missile defenses.
- Sec. 3634. Encouragement of enhanced collaboration to achieve more reliable Russian early warning systems.
- Sec. 3635. Teller-Kurchatov Alliance for Peace.
- Sec. 3636. Nonproliferation fellowships.

Subtitle D—Other Matters

Sec. 3641. Promotion of discussions on nuclear and radiological security and safety between the International Atomic Energy Agency and the Organization for Economic Cooperation and Development.

1 **SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.**

2 For purposes of this Act, the term “congressional de-
3 fense committees” means—

4 (1) the Committee on Armed Services and the
5 Committee on Appropriations of the Senate; and

6 (2) the Committee on Armed Services and the
7 Committee on Appropriations of the House of Rep-
8 resentatives.

9 **DIVISION A—DEPARTMENT OF**
10 **DEFENSE AUTHORIZATIONS**
11 **TITLE I—PROCUREMENT**
12 **Subtitle A—Authorization of**
13 **Appropriations**

14 **SEC. 101. ARMY.**

15 Funds are hereby authorized to be appropriated for
16 fiscal year 2004 for procurement for the Army as follows:

17 (1) For aircraft, \$2,194,585,000.

18 (2) For missiles, \$1,594,662,000.

19 (3) For weapons and tracked combat vehicles,
20 \$2,197,404,000.

21 (4) For ammunition, \$1,428,966,000.

22 (5) For other procurement, \$4,321,496,000.

1 **SEC. 102. NAVY AND MARINE CORPS.**

2 (a) NAVY.—Funds are hereby authorized to be appro-
3 priated for fiscal year 2004 for procurement for the Navy
4 as follows:

5 (1) For aircraft, \$9,050,048,000.

6 (2) For weapons, including missiles and tor-
7 pedoes, \$2,529,821,000.

8 (3) For ammunition, \$963,355,000.

9 (4) For shipbuilding and conversion,
10 \$11,472,384,000.

11 (5) For other procurement, \$4,614,892,000.

12 (b) MARINE CORPS.—Funds are hereby authorized to
13 be appropriated for fiscal year 2004 for procurement for
14 the Marine Corps in the amount of \$1,154,299,000.

15 **SEC. 103. AIR FORCE.**

16 Funds are hereby authorized to be appropriated for
17 fiscal year 2004 for procurement for the Air Force as fol-
18 lows:

19 (1) For aircraft, \$12,604,451,000.

20 (2) For ammunition, \$1,324,725,000.

21 (3) For missiles, \$4,348,039,000.

22 (4) For other procurement, \$11,376,059,000.

23 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

24 Funds are hereby authorized to be appropriated for
25 fiscal year 2004 for Defense-wide procurement in the
26 amount of \$3,734,821,000.

1 **Subtitle B—Army Programs**

2 **SEC. 111. STRYKER VEHICLE PROGRAM.**

3 (a) LIMITATION.—Of the funds authorized to be ap-
4 propriated under section 101 for procurement for the
5 Army for fiscal year 2004 that are available for the
6 Stryker vehicle program, not more than \$655,000,000
7 may be obligated until—

8 (1) the Secretary of the Army has submitted to
9 the Deputy Secretary of Defense the report specified
10 in subsection (b);

11 (2) the Secretary of Defense has submitted to
12 the congressional defense committees the report and
13 certification referred to in subsection (c); and

14 (3) a period of 30 days has elapsed after the
15 date of the receipt by those committees of the report
16 and certification under paragraph (2).

17 (b) SECRETARY OF THE ARMY REPORT.—The report
18 referred to in subsection (a)(1) is the report required to
19 be submitted by the Secretary of the Army to the Deputy
20 Secretary of Defense not later than July 8, 2003, that
21 identifies options for modifications to the equipment and
22 configuration of the Army brigade designated as “Stryker
23 brigades” to assure that those brigades, after incor-
24 porating such modifications, provide—

1 (1) a higher level of combat capability and sus-
2 tainability;

3 (2) a capability across a broader spectrum of
4 combat operations; and

5 (3) a capability to be employed independently of
6 higher-level command formations and support.

7 (c) SECRETARY OF DEFENSE REPORT AND CERTIFI-
8 CATION.—The Secretary of Defense shall transmit to the
9 congressional defense committees not later than 30 days
10 after the date of the receipt by the Deputy Secretary of
11 Defense of the report of the Secretary of the Army re-
12 ferred to in subsection (b), the modification options identi-
13 fied by the Secretary of the Army for purposes of that
14 report. The Secretary of Defense shall include any com-
15 ments that may be applicable to the analysis of the Sec-
16 retary of the Army's report and shall certify to the com-
17 mittees whether in the Secretary's judgment fielding the
18 fourth Stryker brigade as planned by the Army in a dif-
19 ferent configuration from the first three such brigades will
20 fulfill the three objectives set forth in subsection (b).

21 (d) AUTHORIZED USE OF REMAINDER OF FUNDS.—
22 The funds authorized to be appropriated for procurement
23 for the Army for fiscal year 2004 that are available for
24 the Stryker vehicle program and that become available for

1 obligation upon the conditions of subsection (a) being met
2 shall be obligated either—

3 (1) to develop, procure, and field equipment
4 and capabilities for the fourth Stryker brigade com-
5 bat team that would accelerate the options for modi-
6 fications to enhance Stryker brigades identified in
7 subsection (b); or

8 (2) for the equipment identified in the fiscal
9 year 2004 budget request to be procured for the
10 fourth Stryker brigade, if the Secretary of Defense,
11 after reviewing the Secretary of Army's report under
12 subsection (b), determines that the current configu-
13 ration of the fourth Stryker brigade meets the cri-
14 teria in paragraphs (1) through (3) of subsection (b)
15 and certifies to the congressional defense committees
16 that the equipment identified in the fiscal year 2004
17 budget request to be procured for the fourth Stryker
18 brigade provides those capabilities.

19 (e) LIMITATIONS.—(1) In obligating funds in accord-
20 ance with either paragraph (1) or paragraph (2) of sub-
21 section (d), no action may be taken that would delay,
22 hinder, or otherwise disrupt the current production and
23 fielding schedule for the fourth Stryker brigade.

24 (2) Notwithstanding any other provision of this sec-
25 tion, all funds authorized to be appropriated under section

1 101 for procurement for the Army for fiscal year 2004
2 that are available for the Stryker vehicle program shall
3 be used exclusively to develop, procure, and field Stryker
4 combat vehicles.

5 **SEC. 112. CONFIGURATION OF FOURTH STRYKER BRIGADE**
6 **COMBAT TEAM.**

7 (a) CONFIGURATION, LETHALITY ENHANCEMENTS,
8 AND SUSTAINABILITY.—The Secretary of the Army shall
9 configure the fourth Stryker brigade combat team so that
10 that brigade combat team provides the commanders of
11 combatant commands with enhanced combat capability
12 and sustainability well beyond the combat and
13 sustainment capabilities provided by any one of the first
14 three fielded Stryker brigade combat teams.

15 (b) FUNDS.—The amount provided in section 101(3)
16 is hereby increased by \$100,000,000, to be available for
17 procurement of additional lethality and sustainability en-
18 hancements for the fourth Stryker brigade combat team.

19 (c) OPTIONS FOR CONSIDERATION.—In the execution
20 of the funds provided pursuant to subsection (b)(1), the
21 Secretary of the Army shall include among the enhance-
22 ments considered for the configuration of the fourth
23 Stryker brigade combat team enhancement with heavy ar-
24 mored vehicles, with additional heavy attack helicopters,
25 with additional reconnaissance and attack helicopters, and

1 with indirect fire artillery capabilities, or with any com-
2 bination thereof.

3 (d) REPORT REQUIRED.—Not later than 30 days
4 after the date of the enactment of this Act, the Secretary
5 of the Army shall submit to the congressional defense com-
6 mittees a report that details the additional types of
7 lethality and sustainability enhancements that will be
8 fielded as part of the new configuration of the fourth
9 Stryker brigade combat team.

10 **Subtitle C—Navy Programs**

11 **SEC. 121. MULTIYEAR PROCUREMENT AUTHORITY FOR F/A-** 12 **18 AIRCRAFT PROGRAM.**

13 The Secretary of the Navy may, in accordance with
14 section 2306b of title 10, United States Code, enter into
15 a multiyear contract, beginning with the fiscal year 2005
16 program year, for procurement of aircraft in the F/A-
17 18E, F/A-18F, and EA-18G configurations. The total
18 number of aircraft procured through a multiyear contract
19 under this section may not exceed 234.

20 **SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR** 21 **TACTICAL TOMAHAWK CRUISE MISSILE PRO-** 22 **GRAM.**

23 The Secretary of the Navy may, in accordance with
24 section 2306b of title 10, United States Code, enter into
25 a multiyear contract, beginning with the fiscal year 2004

1 program year, for procurement of Tactical Tomahawk
2 cruise missiles. The total number of missiles procured
3 through a multiyear contract under this section shall be
4 determined by the Secretary of the Navy, based upon the
5 funds available, but not to exceed 900 in any year.

6 **SEC. 123. MULTIYEAR PROCUREMENT AUTHORITY FOR VIR-**
7 **GINIA CLASS SUBMARINE PROGRAM.**

8 (a) **AUTHORITY.**—The Secretary of the Navy may, in
9 accordance with section 2306b of title 10, United States
10 Code, enter into a multiyear contract, beginning with the
11 fiscal year 2004 program year, for procurement of seven
12 Virginia-class submarines.

13 (b) **LIMITATION.**—The Secretary of the Navy may
14 not enter into a contract authorized by subsection (a)
15 until—

16 (1) the Secretary submits to the congressional
17 defense committees a certification that the Secretary
18 has made each of the findings with respect to such
19 contract specified in subsection (a) of section 2306b
20 of title 10, United States Code; and

21 (2) a period of 30 days has elapsed after the
22 date of the transmission of such certification.

1 **SEC. 124. MULTIYEAR PROCUREMENT AUTHORITY FOR E-**
2 **2C AIRCRAFT PROGRAM.**

3 (a) AIRCRAFT.—The Secretary of the Navy may, in
4 accordance with section 2306b of title 10, United States
5 Code, enter into a multiyear contract, beginning with the
6 fiscal year 2004 program year, for procurement of four
7 E-2C and four TE-2C aircraft.

8 (b) ENGINES.—The Secretary of the Navy may, in
9 accordance with section 2306b of title 10, United States
10 Code, enter into a multiyear contract, beginning with the
11 fiscal year 2004 program year, for procurement of 16 en-
12 gines for aircraft in the E-2C or TE-2C configuration.

13 (c) LIMITATION ON TERM OF CONTRACTS.—Notwith-
14 standing subsection (k) of section 2306b of title 10,
15 United States Code, a contract under this section may not
16 be for a period in excess of four program years.

17 **SEC. 125. LPD-17 CLASS VESSEL.**

18 If after May 7, 2003, there is enacted an Act making
19 supplemental appropriations for the Department of De-
20 fense for fiscal year 2003 that includes appropriation of
21 an amount for procurement of Tomahawk cruise missiles
22 for the Navy, then—

23 (1) the amount provided in section 102 for pro-
24 curement of weapons for the Navy is reduced by the
25 amount so appropriated or by \$200,000,000, which-
26 ever is less, with such reduction to be derived from

1 amounts authorized for procurement of Tomahawk
2 cruise missiles; and

3 (2) the amount provided in section 102 for
4 shipbuilding and conversion is increased by the
5 amount of the reduction under paragraph (1), with
6 the amount of such increase to be available for ad-
7 vance procurement of long-lead items, including the
8 advance fabrication of components, for one LPD-17
9 class vessel.

10 **Subtitle D—Air Force Programs**

11 **SEC. 131. AIR FORCE AIR REFUELING TRANSFER ACCOUNT.**

12 (a) TRANSFER ACCOUNT.—There is hereby estab-
13 lished an account for the Department of the Air Force
14 to be known as the Air Force Air Refueling Transfer Ac-
15 count. Amounts in such account may be used in accord-
16 ance with subsection (c).

17 (b) AUTHORIZATION OF APPROPRIATIONS.—Within
18 the amount provided in section 103(1), there is authorized
19 to be appropriated to the Air Force Air Refueling Transfer
20 Account for fiscal year 2004 the amount of \$229,200,000.

21 (c) AUTHORIZED USE OF FUNDS.—Amounts in the
22 Air Force Air Refueling Transfer Account may be used
23 for any of the following purposes, as determined by the
24 Secretary of the Air Force:

1 (1) Necessary expenses for fiscal year 2004 to
2 prepare for leasing of tanker aircraft under section
3 8159 of the Department of Defense Appropriations
4 Act, 2002 (division A of Public Law 107–117; 115
5 Stat. 2284; 10 U.S.C. 2401a note).

6 (2) Necessary expenses for fiscal year 2004 to
7 prepare for purchase of tanker aircraft for the Air
8 Force.

9 (3) Retaining in active service (rather than re-
10 tiring) KC–135E aircraft.

11 (4) Maintenance of equipment for KC–135 air-
12 craft that was purchased through a depot.

13 (d) AUTHORIZED TRANSFERS.—Subject to sub-
14 sections (e) and (f), the Secretary of the Air Force may
15 transfer funds in the Air Force Air Refueling Transfer
16 Account to appropriations of the Air Force available for
17 purposes set forth in subsection (c), including appropria-
18 tions available for procurement, for research, development,
19 test, and evaluation, for operation and maintenance, and
20 for military personnel (in the case of retaining KC–135E
21 aircraft in active service), in such amounts as the Sec-
22 retary determines necessary for such purpose.

23 (e) LIMITATION.—Amounts appropriated to the Air
24 Force Air Refueling Transfer Account pursuant to the au-
25 thorization of appropriations in subsection (b) may not be

1 used to enter into a lease for tanker aircraft or to enter
 2 into a contract for procurement of tanker aircraft.

3 (f) NOTICE TO CONGRESS.—A transfer of funds
 4 under subsection (d) may not be made until—

5 (1) the Secretary of the Air Force notifies the
 6 congressional defense committees in writing of the
 7 amount and purpose of the proposed transfer, in-
 8 cluding each account to which the transfer is to be
 9 made; and

10 (2) a period of 30 days has elapsed after the
 11 date on which the notice is received by those com-
 12 mittees.

13 **SEC. 132. INCREASE IN NUMBER OF AIRCRAFT AUTHOR-**
 14 **IZED TO BE PROCURED UNDER MULTIYEAR**
 15 **PROCUREMENT AUTHORITY FOR AIR FORCE**
 16 **C-130J AIRCRAFT PROGRAM.**

17 Section 131(a) of the Bob Stump National Defense
 18 Authorization Act for Fiscal Year 2003 (Public Law 107–
 19 314; 116 Stat. 2475) is amended by striking “40 C-130J
 20 aircraft” and inserting “42 C-130J aircraft”.

21 **SEC. 133. LIMITATION ON RETIRING C-5 AIRCRAFT.**

22 (a) LIMITATION.—The Secretary of the Air Force
 23 may not proceed with a decision to retire C-5A aircraft
 24 from the active inventory of the Air Force in any number

1 that which would reduce the total number of such aircraft
2 in the active inventory below 112 until—

3 (1) the Air Force has modified a C-5A aircraft
4 to the configuration referred to as the Reliability
5 Enhancement and Reengining Program (RERP)
6 configuration, as planned under the C-5 System De-
7 velopment and Demonstration program as of May 1,
8 2003; and

9 (2) the Director of Operational Test and Eval-
10 uation of the Department of Defense—

11 (A) conducts an operational evaluation of
12 that aircraft, as so modified; and

13 (B) provides to the Secretary of Defense
14 and the congressional defense committees an
15 operational assessment.

16 (b) OPERATIONAL EVALUATION.—An operational
17 evaluation for purposes of paragraph (2)(A) of subsection
18 (a) is an evaluation, conducted during operational testing
19 and evaluation of the aircraft, as so modified, of the per-
20 formance of the aircraft with respect to reliability, main-
21 tainability, and availability and with respect to critical
22 operational issues.

23 (c) OPERATIONAL ASSESSMENT.—An operational as-
24 sessment for purposes of paragraph (2)(B) of subsection
25 (a) is an operational assessment of the program to modify

1 C-5A aircraft to the configuration referred to in sub-
2 section (a)(1) regarding both overall suitability and defi-
3 ciencies of the program to improve performance of the C-
4 5A aircraft relative to requirements and specifications for
5 reliability, maintainability, and availability of that aircraft
6 as in effect on May 1, 2003.

7 **SEC. 134. LIMITATION ON OBLIGATION OF FUNDS FOR PRO-**
8 **CUREMENT OF F/A-22 AIRCRAFT.**

9 (a) LIMITATION.—Of the amount appropriated for
10 fiscal year 2004 for procurement of F/A-22 aircraft,
11 \$136,000,000 may not be obligated until the Under Sec-
12 retary of Defense for Acquisition, Technology, and Logis-
13 tics submits to the congressional defense committees the
14 Under Secretary's certification that—

15 (1) the four primary aircraft designated to par-
16 ticipate in the dedicated initial operational test and
17 evaluation program for the F/A-22 aircraft have
18 each been equipped with the version of the avionics
19 software operational flight program that is des-
20 ignated as version 3.1.2 or a later version; and

21 (2) before the commencement of that dedicated
22 initial operational test and evaluation program,
23 those four aircraft (as so equipped) demonstrate, on
24 average, an avionics software mean time between in-
25 stability events of at least 20 hours.

(b) CONTINGENCY WAIVER AUTHORITY.—If the Under Secretary notifies the Secretary of Defense that the Under Secretary is unable to make the certification described in subsection (a), the Secretary may waive the limitation under that subsection. Upon making such a waiver—

(1) the Secretary of Defense shall notify the congressional defense committees of the waiver and of the reasons therefor; and

(2) the funds described in subsection (a) may then be obligated, by reason of such waiver, after the end of the 30-day period beginning on the date on which the Secretary's notification is received by those committees.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2004 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, \$9,332,382,000.

(2) For the Navy, \$14,343,360,000.

1 (3) For the Air Force, \$20,548,867,000.

2 (4) For Defense-wide activities,
3 \$18,461,046,000, of which \$286,661,000 is author-
4 ized for the Director of Operational Test and Eval-
5 uation.

6 **SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-**
7 **NOLOGY.**

8 (a) FISCAL YEAR 2004.—Of the amounts authorized
9 to be appropriated by section 201, \$10,893,077,000 shall
10 be available for the Defense Science and Technology Pro-
11 gram, including basic research, applied research, and ad-
12 vanced technology development projects.

13 (b) BASIC RESEARCH, APPLIED RESEARCH, AND AD-
14 VANCED TECHNOLOGY DEVELOPMENT DEFINED.—For
15 purposes of this section, the term “basic research, applied
16 research, and advanced technology development” means
17 work funded in program elements for defense research and
18 development under Department of Defense category 6.1,
19 6.2, or 6.3.

20 **SEC. 203. PROGRAM INCREASES.**

21 (a) COMPUTER-ASSISTED MEDICAL DIAGNOSTIC
22 TECHNOLOGY.—The amount provided in section 201(1)
23 for research, development, test, and evaluation, Army, is
24 hereby increased by \$3,000,000, to be available for Med-
25 ical Advanced Technology in Program Element 0603002A

1 for evaluation for potential use by Department of Defense
2 medical treatment facilities of commercially available med-
3 ical diagnostic technology that, using a digital chemical
4 library and decision support software, can be used for di-
5 agnosis of dermatological diseases.

6 (b) LIGHTWEIGHT CARTRIDGE CASES FOR AMMUNI-
7 TION.—The amount provided in section 201(1) for re-
8 search, development, test, and evaluation, Army, is hereby
9 increased by \$3,000,000, to be available for Weapons and
10 Munitions Advanced Technology in Program Element
11 0603004A for advanced technology development for light-
12 weight cartridge cases for ammunition.

13 (c) AVIATION-SHIPBOARD INFORMATION TECH-
14 NOLOGY.—The amount provided in section 201(2) for re-
15 search, development, test, and evaluation, Navy, is hereby
16 increased by \$6,500,000, to be available for Shipboard
17 Aviation Systems in Program Element 0604512N to com-
18 plete research and development for the Aviation-Shipboard
19 Information Technology Initiative.

20 (d) AUTOREAD.—The amount provided in section
21 201(2) for research, development, test, and evaluation,
22 Navy, is hereby increased by \$1,400,000, to be available
23 for Shipboard Aviation Systems in Program Element
24 0604512N to complete research and development for the
25 AutoREAD system for improving the accuracy and reduc-

1 ing the workload of collecting preventive maintenance data
2 on aircraft launch and recovery systems.

3 (e) SPIKE URBAN WARFARE SYSTEM.—The amount
4 provided in section 201(2) for research, development, test,
5 and evaluation, Navy, is hereby increased by \$5,000,000,
6 to be available for the Marine Corps Advanced Technology
7 Demonstrations in Program Element 0603640M for devel-
8 opment and demonstration of the SPIKE urban warfare
9 system.

10 (f) RESEARCH IN HYDROGRAPHIC SCIENCES.—The
11 amount provided in section 201(2) for research, develop-
12 ment, test, and evaluation, Navy, is hereby increased by
13 \$3,250,000, to be available for Air/Ocean Tactical Appli-
14 cations advanced component development and prototyping
15 in Program Element 0603207N for hydrographic sciences
16 research.

17 (g) SHIPBOARD ELECTRONIC WARFARE IMPROVE-
18 MENTS.—The amount provided in section 201(2) for re-
19 search, development, test, and evaluation, Navy, is hereby
20 increased by \$5,000,000, to be available for system devel-
21 opment and demonstration for Tactical Command Sys-
22 tems in Program Element 0604231N for an at-sea dem-
23 onstration for shipboard use of a variant of the F/A-22
24 digital electronic warfare product improvement program.

1 (h) AEROSPACE SENSORS.—The amount provided in
2 section 201(3) for research, development, test, and evalua-
3 tion, Air Force, is hereby increased by \$4,000,000, to be
4 available for Aerospace Sensors in Program Element
5 0602204F for development of general purpose
6 reconfigurable signal processors suitable for time critical
7 sensor processing for broad military intelligence, surveil-
8 lance, and reconnaissance applications.

9 (i) ELEMENTAL DETECTOR TECHNOLOGY AP-
10 PRAISAL.—The amount provided in section 201(4) for re-
11 search, development, test, and evaluation, Defense-Wide,
12 is hereby increased by \$2,000,000, to be available for Pro-
13 gram Element 0603750D8Z, Advanced Concept Tech-
14 nology Demonstrations, to evaluate the capability of an
15 elemental detector to provide directional cueing to con-
16 centrations of specific elements and compounds.

17 (j) MUSTARD GAS ANTIDOTE.—The amount provided
18 in section 201(4) for research, development, test, and eval-
19 uation, Defense-wide, is hereby increased by \$5,000,000,
20 to be available for Chemical-Biological Defense Applied
21 Research in Program Element 0603284BP for continuing
22 applied research on an antidote for mustard gas.

1 **Subtitle B—Program Require-**
2 **ments, Restrictions, and Limita-**
3 **tions**

4 **SEC. 211. COLLABORATIVE PROGRAM FOR DEVELOPMENT**
5 **OF ELECTROMAGNETIC GUN TECHNOLOGY.**

6 (a) PROGRAM REQUIRED.—The Secretary of Defense
7 shall establish and carry out a collaborative program for
8 evaluation and demonstration of advanced technologies
9 and concepts for advanced gun systems that use electro-
10 magnetic propulsion for direct and indirect fire applica-
11 tions.

12 (b) DESCRIPTION OF PROGRAM.—The program
13 under subsection (a) shall be carried out collaboratively
14 pursuant to a memorandum of agreement to be entered
15 into among the Secretary of the Army, the Secretary of
16 the Navy, and the Director of the Defense Advanced Re-
17 search Projects Agency. The program shall include the fol-
18 lowing activities:

19 (1) Identification of technical objectives, quan-
20 tified technical barriers, and enabling technologies
21 associated with development of the objective electro-
22 magnetic gun systems envisioned to meet the needs
23 of each of the Armed Forces and, in so doing, identi-
24 fication of opportunities for development of compo-

1 nents or subsystems common to those envisioned
2 gun systems.

3 (2) Preparation of a time-based plan for devel-
4 opment of electromagnetic gun systems for direct
5 fire applications, indirect fire applications, or both
6 direct and indirect fire applications (in the case of
7 the Army and Marine Corps) and for indirect fire
8 applications (in the case of the Navy), which—

9 (A) includes the programs currently
10 planned by the Army and by the Navy and
11 demonstrates how the enabling technologies
12 common to such Army and Navy programs are
13 used; and

14 (B) provides estimated dates for decision
15 points, prototype demonstrations, and transi-
16 tions of successful cases from the collaborative
17 program under this section to an acquisition
18 program.

19 (3) For each of the enabling technologies com-
20 mon to the Army and Navy programs, identification
21 of whether lead responsibility for developing that
22 technology should be assigned to the Secretary of
23 the Army, the Secretary of the Navy, or the Direc-
24 tor, with the Director favored in cases in which the
25 technology is highly challenging or high risk, high

1 reward, and with each such Secretary favored in
2 cases in which that Secretary's military department
3 possesses superior expertise or experience with the
4 technology.

5 (4) Identification of a strategy for the partici-
6 pation of industry in the program.

7 (c) MATTERS INCLUDED.—The advanced tech-
8 nologies and concepts included under the program may in-
9 clude, but are not limited to, the following:

10 (1) Advanced electrical power, energy storage,
11 and switching systems.

12 (2) Electromagnetic launcher materials and
13 construction techniques for long barrel life.

14 (3) Guidance and control systems for electro-
15 magnetically launched projectiles.

16 (4) Advanced projectiles and other munitions
17 for electromagnetic gun systems.

18 (5) Hypervelocity terminal effects.

19 (d) RELATIONSHIP TO SEPARATE PROGRAMS OF
20 MILITARY DEPARTMENTS.—The Secretary of the Army
21 and the Secretary of the Navy shall carry out separate
22 programs for the evaluation and demonstration of ad-
23 vanced technologies and concepts for, and for the further
24 development and acquisition of, advanced gun systems re-
25 ferred to in subsection (a). Each such Secretary shall in-

1 corporate in that Secretary's program the most promising
2 of the technology products matured under the program
3 under subsection (a).

4 (e) REPORT.—Not later than March 31, 2004, the
5 Secretary of the Army, the Secretary of the Navy, and
6 the Director of the Defense Advanced Research Projects
7 Agency shall jointly submit a report to the congressional
8 defense committees on the implementation of the program
9 under subsection (a). The report shall include the fol-
10 lowing:

11 (1) A description of the memorandum of agree-
12 ment entered into under subsection (b).

13 (2) The time-based plan required by subsection
14 (b)(2).

15 (3) A description of the goals and objectives of
16 the program.

17 (4) Identification of funding required for fiscal
18 year 2004 and for the future years defense program
19 to carry out the program.

20 (5) A description of a plan for industry partici-
21 pation in the program.

1 **SEC. 212. AUTHORITY TO SELECT CIVILIAN EMPLOYEE OF**
2 **DEPARTMENT OF DEFENSE AS DIRECTOR OF**
3 **DEPARTMENT OF DEFENSE TEST RESOURCE**
4 **MANAGEMENT CENTER.**

5 Section 196(b)(1) of title 10, United States Code, is
6 amended—

7 (1) in the first sentence, by inserting before the
8 period at the end the following: “or from among sen-
9 ior civilian officials or employees of the Department
10 of Defense who have substantial experience in the
11 field of test and evaluation”; and

12 (2) in the second sentence, by striking “vice ad-
13 miral” and inserting “the grade of vice admiral, or,
14 in the case of a civilian official or employee, an
15 equivalent level”.

16 **SEC. 213. DEVELOPMENT OF THE JOINT TACTICAL RADIO**
17 **SYSTEM.**

18 (a) **JOINT PROGRAM OFFICE.**—The Secretary of De-
19 fense shall designate a single joint program office within
20 the Department of Defense for management of the Joint
21 Tactical Radio System development program. The Sec-
22 retary shall provide for the head of that office to be se-
23 lected on a rotating basis from among officers of different
24 Armed Forces.

25 (b) **CONSOLIDATED PROGRAM ELEMENTS.**—The Sec-
26 retary shall provide that all funds for development and

1 procurement of the Joint Tactical Radio System program
2 shall be consolidated under and managed by the head of
3 the joint program office designated under subsection (a).

4 (c) PROGRAM DEVELOPMENT.—The Secretary shall
5 provide that, subject to the authority, direction, and con-
6 trol of the Secretary, the head of the joint program office
7 designated under subsection (a) shall—

8 (1) establish and control the performance speci-
9 fications for the Joint Tactical Radio System;

10 (2) establish and control the standards for de-
11 velopment of the software and equipment for that
12 system;

13 (3) establish and control the standards for op-
14 eration of that system; and

15 (4) develop a single, unified concept of oper-
16 ations for all users of that system.

17 **SEC. 214. FUTURE COMBAT SYSTEMS.**

18 (a) LIMITATION.—None of the funds authorized to
19 be appropriated under section 201(1) for development and
20 demonstration of systems for the Future Combat Systems
21 program may be obligated or expended until 30 days after
22 the Secretary of the Army submits to the congressional
23 defense committees a report on such program. The report
24 shall include the following:

25 (1) The findings and conclusions of—

1 (A) the review of the Future Combat Sys-
2 tems program carried out by the independent
3 panel at the direction of the Secretary of De-
4 fense; and

5 (B) the milestone B review of the Future
6 Combat Systems program carried out by the de-
7 fense acquisition board.

8 (2) For each of the key performance param-
9 eters relating to the Future Combat Systems pro-
10 gram, the threshold value at which the utility of the
11 individual systems comprising the Future Combat
12 Systems program become questionable.

13 (3) For each of the three projects requested
14 under program element 64645A, Armored Systems
15 Modernization, a completed analysis of alternatives.

16 (b) SEPARATE PROGRAM ELEMENTS.—For fiscal
17 years beginning with 2004, the Secretary of Defense shall
18 ensure that—

19 (1) each project under the Army's Future Com-
20 bat Systems program (whether in existence before,
21 on, or after the date of the enactment of this Act)
22 is assigned a separate, dedicated program element;
23 and

1 (2) before such a program element is assigned
2 to such a project, an analysis of alternatives for such
3 project is completed.

4 **SEC. 215. ARMY PROGRAM TO PURSUE TECHNOLOGIES**
5 **LEADING TO THE ENHANCED PRODUCTION**
6 **OF TITANIUM BY THE UNITED STATES.**

7 (a) **EFFORTS REQUIRED.**—The Secretary of Defense
8 shall—

9 (1) assess promising technologies leading to the
10 enhanced production of titanium by the United
11 States; and

12 (2) select, on a competitive basis, the most via-
13 ble such technologies for research, development, and
14 production.

15 (b) **EXECUTIVE AGENT.**—The Secretary of the Army
16 shall serve as executive agent in carrying out subsection
17 (a).

18 (c) **FUNDING.**—Of the funds authorized to be appro-
19 priated by section 201(1) for research, development, test,
20 and evaluation, Army, for fiscal year 2004, \$8,000,000
21 shall be available in program element 62624A to carry out
22 this section.

1 **SEC. 216. EXTENSION OF REPORTING REQUIREMENT FOR**
2 **RAH-66 COMANCHE AIRCRAFT PROGRAM.**

3 Section 211 of the Bob Stump National Defense Au-
4 thorization Act for Fiscal Year 2003 (Public Law 107–
5 314; 116 Stat. 2479) is amended in subsection (a) by in-
6 serting “and fiscal year 2004” after “fiscal year 2003”.

7 **SEC. 217. STUDIES OF FLEET PLATFORM ARCHITECTURES**
8 **FOR THE NAVY.**

9 (a) INDEPENDENT STUDIES.—(1) The Secretary of
10 Defense shall provide for the performance of eight inde-
11 pendent studies on alternative future fleet platform archi-
12 tectures for the Navy.

13 (2) The Secretary shall forward the results of each
14 study to the congressional defense committees not later
15 than March 1, 2004.

16 (3) Each such study shall be submitted both in un-
17 classified, and to the extent necessary, in classified
18 versions.

19 (b) ENTITIES TO PERFORM STUDIES.—The Sec-
20 retary of Defense shall provide for the studies under sub-
21 section (a) to be performed as follows:

22 (1) One shall be performed by the Secretary of
23 the Navy, using Department of the Navy personnel.

24 (2) Four shall be performed by qualified analyt-
25 ical organizations external to Department of De-
26 fense.

1 (3) Three shall be performed by defense firms,
2 or teams of defense firms, in the private sector.

3 (c) PERFORMANCE OF STUDIES.—(1) The Secretary
4 of Defense shall require each entity undertaking one of
5 the studies under this section to commit to performing the
6 study independently from the other studies and, in the
7 case of the entities selected under paragraphs (2) and (3)
8 of subsection (b), independently from the Navy, so as to
9 ensure independent analysis.

10 (2) In performing a study under this section, the enti-
11 ty performing the study shall consider the following:

12 (A) The National Security Strategy of the
13 United States.

14 (B) Potential future threats to the United
15 States and to United States naval forces.

16 (C) The traditional roles and missions of
17 United States naval forces.

18 (D) Alternative roles and missions.

19 (E) The role of evolving technology on future
20 naval forces.

21 (F) Opportunities for reduced manning and un-
22 manned ships and vehicles in future naval forces.

23 (3) Each entity performing a study under this sec-
24 tion, while cognizant of current overall fleet platform ar-
25 chitecture, shall not allow the current features of fleet

1 platform architecture to constrain the analysis for pur-
2 poses of that study.

3 (d) NAVAL STUDIES.—Each study under this section
4 shall present one or two possible overall fleet platform ar-
5 chitectures. For each such architecture presented, the
6 study shall include the following:

7 (1) The numbers, kinds, and sizes of vessels,
8 the numbers and types of associated manned and
9 unmanned vehicles, and the basic capabilities of each
10 of those platforms.

11 (2) Other information needed to understand
12 that architecture in basic form and the supporting
13 analysis.

14 (e) COSTS.—Within the amount provided in section
15 201(2), the amount of \$1,600,000 is authorized, within
16 Program Element 65154N, for the purposes of this sec-
17 tion.

18 **Subtitle C—Ballistic Missile** 19 **Defense**

20 **SEC. 221. ENHANCED FLEXIBILITY FOR BALLISTIC MISSILE** 21 **DEFENSE SYSTEMS.**

22 (a) FLEXIBILITY FOR SPECIFICATION OF PROGRAM
23 ELEMENTS.—Subsection (a) of section 223 of title 10,
24 United States Code, is amended—

1 (1) by inserting “BY PRESIDENT” in the sub-
2 section heading after “SPECIFIED”;

3 (2) by striking “program elements governing
4 functional areas as follows:” and inserting “such
5 program elements as the President may specify.”;
6 and

7 (3) by striking paragraphs (1) through (6).

8 (b) CONFORMING AMENDMENTS.—(1) Subsection (c)
9 of such section is amended by striking “for each program
10 element specified in subsection (a)” and inserting “for a
11 fiscal year for any program element specified for that fis-
12 cal year pursuant to subsection (a)”.

13 (2) Subsection (c)(3) of section 232 of the National
14 Defense Authorization Act for Fiscal Year 2002 (Public
15 Law 107–107; 115 Stat. 1037; 10 U.S.C. 2431 note) is
16 amended by striking “each functional area” and all that
17 follows through “subsection (b),” and inserting “each
18 then-current program element for ballistic missile defense
19 systems in effect pursuant to subsection (a) or (b)”.

20 (c) AMENDMENTS RELATING TO CHANGES IN ACQUI-
21 SITION TERMINOLOGY.—(1) Section 223(b)(2) of title 10,
22 United States Code, is amended by striking “means the
23 development phase whose” and inserting “means the pe-
24 riod in the course of an acquisition program during which
25 the”.

1 (2) Subsection (d)(1) of section 232 of the National
2 Defense Authorization Act for Fiscal Year 2002 (Public
3 Law 107–107; 115 Stat. 1037; 10 U.S.C. 2431 note) is
4 amended by striking “, as added by subsection (b)”.

5 **TITLE III—OPERATION AND**
6 **MAINTENANCE**

7 **Subtitle A—Authorization of**
8 **Appropriations**

9 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

10 Funds are hereby authorized to be appropriated for
11 fiscal year 2004 for the use of the Armed Forces and other
12 activities and agencies of the Department of Defense for
13 expenses, not otherwise provided for, for operation and
14 maintenance, in amounts as follows:

15 (1) For the Army, \$25,050,587,000.

16 (2) For the Navy, \$27,901,790,000.

17 (3) For the Marine Corps, \$3,517,756,000.

18 (4) For the Air Force, \$25,434,460,000.

19 (5) For Defense-wide activities,
20 \$16,134,047,000.

21 (6) For the Army Reserve, \$1,954,009,000.

22 (7) For the Naval Reserve, \$1,171,921,000.

23 (8) For the Marine Corps Reserve,
24 \$199,452,000.

25 (9) For the Air Force Reserve, \$2,170,188,000.

1 (10) For the Army National Guard,
2 \$4,194,331,000.

3 (11) For the Air National Guard,
4 \$4,404,646,000.

5 (12) For the United States Court of Appeals
6 for the Armed Forces, \$10,333,000.

7 (13) For Environmental Restoration, Army,
8 \$396,018,000.

9 (14) For Environmental Restoration, Navy,
10 \$256,153,000.

11 (15) For Environmental Restoration, Air Force,
12 \$384,307,000.

13 (16) For Environmental Restoration, Defense-
14 wide, \$24,081,000.

15 (17) For Environmental Restoration, Formerly
16 Used Defense Sites, \$212,619,000.

17 (18) For Overseas Humanitarian, Disaster, and
18 Civic Aid programs, \$59,000,000.

19 (19) For Cooperative Threat Reduction pro-
20 grams, \$450,800,000.

21 (20) United States Industrial Base Capabilities
22 Fund, \$100,000,000.

23 **SEC. 302. WORKING CAPITAL FUNDS.**

24 Funds are hereby authorized to be appropriated for
25 fiscal year 2004 for the use of the Armed Forces and other

1 activities and agencies of the Department of Defense for
2 providing capital for working capital and revolving funds
3 in amounts as follows:

4 (1) For the Defense Working Capital Funds,
5 \$632,261,000.

6 (2) For the National Defense Sealift Fund,
7 \$1,102,762,000.

8 (3) For the Defense Commissary Agency Work-
9 ing Capital Fund, \$1,089,246,000.

10 **SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

11 (a) DEFENSE HEALTH PROGRAM.—Funds are here-
12 by authorized to be appropriated for the Department of
13 Defense for fiscal year 2004 for expenses, not otherwise
14 provided for, for the Defense Health Program,
15 \$15,317,063,000, of which—

16 (1) \$14,923,441,000 is for Operation and
17 Maintenance;

18 (2) \$65,796,000 is for Research, Development,
19 Test, and Evaluation; and

20 (3) \$327,826,000 is for Procurement.

21 (b) CHEMICAL AGENTS AND MUNITIONS DESTRUC-
22 TION, DEFENSE.—(1) Funds are hereby authorized to be
23 appropriated for the Department of Defense for fiscal year
24 2004 for expenses, not otherwise provided for, for Chem-

1 ical Agents and Munitions Destruction, Defense,
2 \$1,580,261,000, of which—

3 (A) \$1,249,168,000 is for Operation and Main-
4 tenance;

5 (B) \$251,881,000 is for Research, Develop-
6 ment, Test, and Evaluation; and

7 (C) \$79,212,000 is for Procurement.

8 (2) Amounts authorized to be appropriated under
9 paragraph (1) are authorized for—

10 (A) the destruction of lethal chemical agents
11 and munitions in accordance with section 1412 of
12 the Department of Defense Authorization Act, 1986
13 (50 U.S.C. 1521); and

14 (B) the destruction of chemical warfare mate-
15 rial of the United States that is not covered by sec-
16 tion 1412 of such Act.

17 (c) DRUG INTERDICTION AND COUNTER-DRUG AC-
18 TIVITIES, DEFENSE-WIDE.—Funds are hereby authorized
19 to be appropriated for the Department of Defense for fis-
20 cal year 2004 for expenses, not otherwise provided for, for
21 Drug Interdiction and Counter-Drug Activities, Defense-
22 wide, \$817,371,000.

23 (d) DEFENSE INSPECTOR GENERAL.—Funds are
24 hereby authorized to be appropriated for the Department
25 of Defense for fiscal year 2004 for expenses, not otherwise

1 provided for, for the Office of the Inspector General of
2 the Department of Defense, \$162,449,000.

3 **SEC. 304. COUNTEREXPLOITATION INITIATIVE.**

4 Within the amount authorized to be appropriated by
5 section 301(5) for operations and maintenance, Defense-
6 wide, the amount for the United States Special Operations
7 Command is hereby increased by \$1,100,000, to be made
8 available for the initiative for accurately tracing portable,
9 sensitive items exported beyond the borders of the United
10 States.

11 **SEC. 305. REDUCTION IN AUTHORIZATION FOR AIR FORCE**
12 **OPERATION AND MAINTENANCE ACCOUNT.**

13 The amount authorized to be appropriated in section
14 301(4) is hereby reduced by \$135,500,000.

15 **Subtitle B—Environmental**
16 **Provisions**

17 **SEC. 311. REAUTHORIZATION AND MODIFICATION OF TITLE**
18 **I OF SIKES ACT.**

19 (a) REAUTHORIZATION.—Section 108 of the Sikes
20 Act (16 U.S.C. 670f) is amended by striking “fiscal years
21 1998 through 2003” each place it appears and inserting
22 “fiscal years 2004 through 2008”.

23 (b) SENSE OF CONGRESS REGARDING SECTION
24 107.—(1) Congress finds the following:

1 (A) The Department of Defense maintains over
2 25,000,000 acres of valuable fish and wildlife habi-
3 tat on approximately 400 military installations na-
4 tionwide.

5 (B) These lands contain a wealth of plant and
6 animal life, vital wetlands for migratory birds, and
7 nearly 300 federally listed threatened species and
8 endangered species.

9 (C) Increasingly, land surrounding military
10 bases are being developed with residential and com-
11 mercial infrastructure that fragments fish and wild-
12 life habitat and decreases its ability to support a di-
13 versity of species.

14 (D) Comprehensive conservation plans, such as
15 integrated natural resource management plans under
16 the Sikes Act (16 U.S.C. 670 et seq.), can ensure
17 that these ecosystem values can be protected and en-
18 hanced while allowing these lands to meet the needs
19 of military operations.

20 (E) Section 107 of the Sikes Act (16 U.S.C.
21 670e-2) requires sufficient numbers of professionally
22 trained natural resources management personnel
23 and natural resources law enforcement personnel to
24 be available and assigned responsibility to perform
25 tasks necessary to carry out title I of the Sikes Act,

1 including the preparation and implementation of in-
2 tegrated natural resource management plans.

3 (F) Managerial and policymaking functions per-
4 formed by Department of Defense on-site profes-
5 sionally trained natural resource management per-
6 sonnel on military installations are appropriate gov-
7 ernmental functions.

8 (G) Professionally trained civilian biologists in
9 permanent Federal Government career managerial
10 positions are essential to oversee fish and wildlife
11 and natural resource conservation programs are es-
12 sential to the conservation of wildlife species on mili-
13 tary land.

14 (2) It is the sense of Congress that the Secretary of
15 Defense should take whatever steps are necessary to en-
16 sure that section 107 of the Sikes Act (16 U.S.C. 670e–
17 2) is fully implemented consistent with the findings made
18 in paragraph (1).

19 (c) PILOT PROGRAM FOR INVASIVE SPECIES MAN-
20 AGEMENT FOR MILITARY INSTALLATIONS.—(1) Section
21 101(b)(1) of the Sikes Act (16 U.S.C. 670a(b)(1)) is
22 amended by redesignating subparagraphs (D) through (J)
23 in order as subparagraphs (E) through (K), and by insert-
24 ing after subparagraph (C) the following:

1 “(D) during fiscal years 2004 through
2 2008, in the case of a plan for a military instal-
3 lation in Guam, management, control, and
4 eradication of invasive species that are not na-
5 tive to the ecosystem of the military installation
6 and the introduction of which cause or may
7 cause harm to military readiness, the environ-
8 ment, the economy, or human health and safe-
9 ty;”.

10 (2) The amendment made by paragraph (1) shall
11 apply—

12 (A) to any integrated natural resources man-
13 agement plan prepared for a military installation in
14 Guam under section 101(a)(1) of the Sikes Act (16
15 U.S.C. 670a(a)(1)) on or after the date of the enact-
16 ment of this Act; and

17 (B) to any integrated natural resources man-
18 agement plan prepared for a military installation in
19 Guam under section 101(a)(1) of the Sikes Act (16
20 U.S.C. 670a(a)(1)) before the date of the enactment
21 of this Act, effective March 1, 2004.

1 **SEC. 312. AUTHORIZATION FOR DEFENSE PARTICIPATION**
2 **IN WETLAND MITIGATION BANKS.**

3 (a) IN GENERAL.—Chapter 159 of title 10, United
4 States Code, is amended by inserting after section 2694a
5 the following new section:

6 **“§ 2694b. Participation in wetland mitigation banks**

7 “(a) AUTHORITY TO PARTICIPATE.—The Secretary
8 of a military department, and the Secretary of Defense
9 with respect to matters concerning a Defense Agency,
10 when engaged in an authorized activity that may or will
11 result in the destruction of, or an adverse impact to, a
12 wetland, may make payments to a wetland mitigation
13 banking program or ‘in-lieu-fee’ mitigation sponsor ap-
14 proved in accordance with the Federal Guidance for the
15 Establishment, Use and Operation of Mitigation Banks
16 (60 Fed. Reg. 58605; November 28, 1995) or the Federal
17 Guidance on the Use of In-Lieu-Fee Arrangements for
18 Compensatory Mitigation Under Section 404 of the Clean
19 Water Act and Section 10 of the Rivers and Harbors Act
20 (65 Fed. Reg. 66913; November 7, 2000), or any suc-
21 cessor administrative guidance.

22 “(b) ALTERNATIVE TO CREATION OF WETLAND.—
23 Participation in a wetland mitigation banking program or
24 consolidated user site under subsection (a) shall be in lieu
25 of mitigating wetland impacts through the creation of a
26 wetland on Federal property.

1 “(c) TREATMENT OF PAYMENTS.—Payments made
 2 under subsection (a) to a wetland mitigation banking pro-
 3 gram or consolidated user site may be treated as eligible
 4 project costs for military construction.”.

5 (b) CLERICAL AMENDMENT.—The table of sections
 6 at the beginning of such chapter is amended by inserting
 7 after the item relating to section 2694a the following new
 8 item:

“2694b. Participation in wetland mitigation banks.”.

9 **SEC. 313. INCLUSION OF ENVIRONMENTAL RESPONSE**
 10 **EQUIPMENT AND SERVICES IN NAVY DEFINI-**
 11 **TIONS OF SALVAGE FACILITIES AND SAL-**
 12 **VAGE SERVICES.**

13 (a) SALVAGE FACILITIES.—Section 7361 of title 10,
 14 United States Code, is amended by adding at the end the
 15 following new subsection:

16 “(e) SALVAGE FACILITIES DEFINED.—In this sec-
 17 tion, the term ‘salvage facilities’ includes equipment and
 18 gear utilized to prevent, abate, or minimize damage to the
 19 environment in connection with a marine salvage oper-
 20 ation.”.

21 (b) SETTLEMENT OF CLAIMS FOR SALVAGE SERV-
 22 ICES.—Section 7363 of such title is amended—

23 (1) by inserting “(a) AUTHORITY TO SETTLE
 24 CLAIM.—” before “The Secretary”; and

1 (2) by adding at the end the following new sub-
2 section:

3 “(b) SALVAGE SERVICES DEFINED.—In this section,
4 the term ‘salvage services’ includes services performed in
5 connection with a marine salvage operation that are in-
6 tended to prevent, abate, or minimize damage to the envi-
7 ronment.”.

8 **SEC. 314. CLARIFICATION OF DEPARTMENT OF DEFENSE**
9 **RESPONSE TO ENVIRONMENTAL EMER-**
10 **GENCIES.**

11 (a) TRANSPORTATION OF HUMANITARIAN RELIEF
12 SUPPLIES TO RESPOND TO ENVIRONMENTAL EMER-
13 GENCIES.—Section 402 of title 10, United States Code,
14 is amended—

15 (1) by redesignating subsection (d) as sub-
16 section (e); and

17 (2) by inserting after subsection (c) the fol-
18 lowing new subsection (d):

19 “(d) RESPONSE TO ENVIRONMENTAL EMER-
20 GENCIES.—The authority of the Secretary of Defense to
21 transport humanitarian relief supplies under this section
22 includes the authority to transport supplies intended for
23 use to respond to, or mitigate the effects of, an event or
24 condition, such as an oil spill, that threatens serious harm
25 to the environment.”.

1 (b) CONDITIONS ON PROVISION OF TRANSPOR-
2 TATION.—Subsection (b) of such section is amended—

3 (1) in paragraph (1)(C), by inserting “or enti-
4 ty” after “people”;

5 (2) in paragraph (1)(E), by inserting “or use”
6 after “distribution”; and

7 (3) in paragraph (3), by striking “donor to en-
8 sure that supplies to be transported under this sec-
9 tion” and inserting “entity requesting the transport
10 of supplies under this section to ensure that the sup-
11 plies”.

12 (c) PROVISION OF DISASTER ASSISTANCE.—Section
13 404 of such title is amended—

14 (1) in subsection (a), by inserting “or serious
15 harm to the environment” after “loss of lives”; and

16 (2) in subsection (c)(2), by inserting “or the en-
17 vironment” after “human lives”.

18 (d) PROVISION OF HUMANITARIAN ASSISTANCE.—
19 Section 2561(a) of such title is amended—

20 (1) by inserting “(1)” before “To the extent”;
21 and

22 (2) by adding at the end the following new
23 paragraph:

24 “(2) The authority of the Department of Defense to
25 provide humanitarian assistance under this section in-

1 cludes the authority to transport supplies or provide as-
2 sistance intended for use to respond to, or mitigate the
3 effects of, an event or condition, such as an oil spill, that
4 threatens serious harm to the environment.”.

5 **SEC. 315. REQUIREMENTS FOR RESTORATION ADVISORY**
6 **BOARDS AND EXEMPTION FROM FEDERAL**
7 **ADVISORY COMMITTEE ACT.**

8 (a) MEMBERSHIP AND MEETING REQUIREMENTS
9 FOR RESTORATION ADVISORY BOARDS.—The Secretary of
10 Defense shall amend the regulations required by section
11 2705(d)(2) of title 10, United States Code, relating to the
12 establishment, characteristics, composition, and funding of
13 restoration advisory boards to ensure that each restoration
14 advisory board complies with the following requirements:

15 (1) Each restoration advisory board shall be
16 fairly balanced in its membership in terms of the
17 points of view represented and the functions to be
18 performed.

19 (2) Unless a closed or partially closed meeting
20 is determined to be proper in accordance with one or
21 more of the exceptions listed in the section 552b(c)
22 of title 5, United States Code, each meeting of a res-
23 toration advisory board shall be—

24 (A) held at a reasonable time and in a
25 manner or place reasonably accessible to the

1 public, including individuals with disabilities;
2 and

3 (B) open to the public.

4 (3) Timely notice of each meeting of a restora-
5 tion advisory board shall be published in a local
6 newspaper of general circulation.

7 (4) Interested persons may appear before or file
8 statements with a restoration advisory board, subject
9 to such reasonable restrictions as the Secretary may
10 prescribe.

11 (5) Subject to section 552 of title 5, United
12 States Code, the records, reports, minutes, appen-
13 dices, working papers, drafts, studies, agenda, or
14 other documents that were made available to, pre-
15 pared for, or prepared by each restoration advisory
16 board shall be available for public inspection and
17 copying at a single, publicly accessible location, such
18 as a public library or an appropriate office of the
19 military installation for which the restoration advi-
20 sory board is established, at least until the restora-
21 tion advisory board is terminated.

22 (6) Detailed minutes of each meeting of each
23 restoration advisory board shall be kept and shall
24 contain a record of the persons present, a complete
25 and accurate description of matters discussed and

1 conclusions reached, and copies of all reports re-
2 ceived, issued, or approved by the restoration advi-
3 sory board. The accuracy of the minutes of a res-
4 toration advisory board shall be certified by the
5 chairperson of the board.

6 (b) FACA EXEMPTION.—Section 2705(d)(2) of title
7 10, United States Code, is amended by adding at the end
8 the following new subparagraph:

9 “(C) The Federal Advisory Committee Act (5 U.S.C.
10 App.) shall not apply to a restoration advisory board es-
11 tablished under this subsection.”.

12 **SEC. 316. REPORT REGARDING IMPACT OF CIVILIAN COM-**
13 **MUNITY ENCROACHMENT AND CERTAIN**
14 **LEGAL REQUIREMENTS ON MILITARY IN-**
15 **STALLATIONS AND RANGES.**

16 (a) STUDY REQUIRED.—The Secretary of Defense
17 shall conduct a study on the impact, if any, of the fol-
18 lowing types of activities at military installations and oper-
19 ational ranges:

20 (1) Civilian community encroachment on those
21 military installations and ranges whose operational
22 training activities, research, development, test, and
23 evaluation activities, or other operational, test and
24 evaluation, maintenance, storage, disposal, or other
25 support functions require, or in the future reason-

1 ably may require, safety or operational buffer areas.
2 The requirement for such a buffer area may be due
3 to a variety of factors, including air operations, ord-
4 nance operations and storage, or other activities that
5 generate or might generate noise, electro-magnetic
6 interference, ordnance arcs, or environmental im-
7 pacts that require or may require safety or oper-
8 ational buffer areas.

9 (2) Compliance by the Department of Defense
10 with State Implementation Plans for Air Quality
11 under section 110 of the Clean Air Act (42 U.S.C.
12 7410).

13 (3) Compliance by the Department of Defense
14 with the Solid Waste Disposal Act (42 U.S.C. 6901
15 et seq.) and the Comprehensive Environmental Re-
16 sponse, Compensation, and Liability Act of 1980 (42
17 U.S.C. 9601 et seq.).

18 (b) MATTERS TO BE INCLUDED WITH RESPECT TO
19 CIVILIAN ENCROACHMENTS.—With respect to paragraph
20 (1) of subsection (a), the study shall include the following:

21 (1) A list of all military installations described
22 in subsection (a)(1) at which civilian community en-
23 croachment is occurring.

1 (2) A description and analysis of the types and
2 degree of such civilian community encroachment at
3 each military installation included on the list.

4 (3) An analysis, including views and estimates
5 of the Secretary of Defense, of the current and po-
6 tential future impact of such civilian community en-
7 croachment on operational training activities, re-
8 search, development, test, and evaluation activities,
9 and other significant operational, test and evalua-
10 tion, maintenance, storage, disposal, or other sup-
11 port functions performed by military installations in-
12 cluded on the list. The analysis shall include the fol-
13 lowing:

14 (A) A review of training and test ranges at
15 military installations, including laboratories and
16 technical centers of the military departments,
17 included on the list.

18 (B) A description and explanation of the
19 trends of such encroachment, as well as consid-
20 eration of potential future readiness problems
21 resulting from unabated encroachment.

22 (4) An estimate of the costs associated with
23 current and anticipated partnerships between the
24 Department of Defense and non-Federal entities to
25 create buffer zones to preclude further development

1 around military installations included on the list,
2 and the costs associated with the conveyance of sur-
3 plus property around such military installations for
4 purposes of creating buffer zones.

5 (5) Options and recommendations for possible
6 legislative or budgetary changes necessary to miti-
7 gate current and anticipated future civilian commu-
8 nity encroachment problems.

9 (c) MATTERS TO BE INCLUDED WITH RESPECT TO
10 SPECIFIED LAWS.—With respect to paragraphs (2) and
11 (3) of subsection (a), the study shall include the following:

12 (1) A list of all military installations and other
13 locations at which the Armed Forces are encoun-
14 tering problems related to compliance with the laws
15 specified in such paragraphs.

16 (2) A description and analysis of the types and
17 degree of compliance problems encountered.

18 (3) An analysis, including views and estimates
19 of the Secretary of Defense, of the current and po-
20 tential future impact of such compliance problems
21 on the following functions performed at military in-
22 stallations:

23 (A) Operational training activities.

24 (B) Research, development, test, and eval-
25 uation activities.

1 (C) Other significant operational, test and
2 evaluation, maintenance, storage, disposal, or
3 other support functions.

4 (4) A description and explanation of the trends
5 of such compliance problems, as well as consider-
6 ation of potential future readiness problems result-
7 ing from such compliance problems.

8 (d) REPORT.—Not later than January 31, 2004, the
9 Secretary of Defense shall submit to the Committee on
10 Armed Services of the Senate and the Committee on
11 Armed Services of the House of Representatives a report
12 containing the results of the study conducted under sub-
13 section (a), including the specific matters required to be
14 addressed by paragraphs (1) through (5) of subsection (b)
15 and paragraphs (1) through (4) of subsection (c).

16 **SEC. 317. MILITARY READINESS AND CONSERVATION OF**
17 **PROTECTED SPECIES.**

18 (a) LIMITATION ON DESIGNATION OF CRITICAL
19 HABITAT.—Section 4(a)(3) of the Endangered Species
20 Act of 1973 (16 U.S.C. 1533(a)(3)) is amended—

- 21 (1) by redesignating subparagraphs (A) and
22 (B) as clauses (i) and (ii), respectively;
23 (2) by inserting “(A)” after “(3)”; and
24 (3) by adding at the end the following:

1 “(B)(i) The Secretary shall not designate as critical
 2 habitat any lands or other geographical areas owned or
 3 controlled by the Department of Defense, or designated
 4 for its use, that are subject to an integrated natural re-
 5 sources management plan prepared under section 101 of
 6 the Sikes Act (16 U.S.C. 670a), if the Secretary deter-
 7 mines that such plan addresses special management con-
 8 siderations or protection (as those terms are used in sec-
 9 tion 3(5)(A)(i)).

10 “(ii) Nothing in this paragraph affects the require-
 11 ment to consult under section 7(a)(2) with respect to an
 12 agency action (as that term is defined in that section).

13 “(iii) Nothing in this paragraph affects the obligation
 14 of the Department of Defense to comply with section 9,
 15 including the prohibition preventing extinction and taking
 16 of endangered species and threatened species.”.

17 (b) CONSIDERATION OF EFFECTS OF DESIGNATION
 18 OF CRITICAL HABITAT.—Section 4(b)(2) of the Endan-
 19 gered Species Act of 1973 (16 U.S.C. 1533(b)(2)) is
 20 amended by inserting “the impact on national security,”
 21 after “the economic impact,”.

22 **SEC. 318. MILITARY READINESS AND MARINE MAMMAL**
 23 **PROTECTION.**

24 (a) DEFINITION OF HARASSMENT FOR MILITARY
 25 READINESS ACTIVITIES.—Section 3(18) of the Marine

1 Mammal Protection Act of 1972 (16 U.S.C. 1362(18)) is
2 amended by striking subparagraphs (B) and (C) and in-
3 serting the following new subparagraphs:

4 “(B) In the case of a military readiness activity
5 (as defined in section 315(f) of Public Law 107–
6 314; 16 U.S.C. 703 note), the term ‘harassment’
7 means—

8 “(i) any act that injures or has the signifi-
9 cant potential to injure a marine mammal or
10 marine mammal stock in the wild; or

11 “(ii) any act that disturbs or is likely to
12 disturb a marine mammal or marine mammal
13 stock in the wild by causing disruption of nat-
14 ural behavioral patterns, including, but not lim-
15 ited to, migration, surfacing, nursing, breeding,
16 feeding, or sheltering, to a point where such be-
17 havioral patterns are abandoned or significantly
18 altered.

19 “(C) The term ‘Level A harassment’ means
20 harassment described in subparagraph (A)(i) or, in
21 the case of a military readiness activity, harassment
22 described in subparagraph (B)(i).

23 “(D) The term ‘Level B harassment’ means
24 harassment described in subparagraph (A)(ii) or, in

1 the case of a military readiness activity, harassment
2 described in subparagraph (B)(ii).”.

3 (b) EXEMPTION OF ACTIONS NECESSARY FOR NA-
4 TIONAL DEFENSE.—Section 101 of the Marine Mammal
5 Protection Act of 1972 (16 U.S.C. 1371) is amended by
6 inserting after subsection (e) the following:

7 “(f) EXEMPTION OF ACTIONS NECESSARY FOR NA-
8 TIONAL DEFENSE.—(1) The Secretary of Defense, after
9 conferring with the Secretary of Commerce, the Secretary
10 of the Interior, or both, as appropriate, may exempt any
11 action or category of actions undertaken by the Depart-
12 ment of Defense or its components from compliance with
13 any requirement of this Act, if the Secretary determines
14 that it is necessary for national defense.

15 “(2) An exemption granted under this subsection—

16 “(A) subject to subparagraph (B), shall be ef-
17 fective for a period specified by the Secretary of De-
18 fense; and

19 “(B) shall not be effective for more than 2
20 years.

21 “(3)(A) The Secretary of Defense may issue addi-
22 tional exemptions under this subsection for the same ac-
23 tion or category of actions, after—

1 “(i) conferring with the Secretary of Commerce,
2 the Secretary of the Interior, or both as appropriate;
3 and

4 “(ii) making a new determination that the addi-
5 tional exemption is necessary for national defense.

6 “(B) Each additional exemption under this para-
7 graph shall be effective for a period specified by the Sec-
8 retary of Defense, of not more than 2 years.”.

9 (c) INCIDENTAL TAKINGS OF MARINE MAMMALS IN
10 MILITARY READINESS ACTIVITIES.—Section 101(a)(5) of
11 the Marine Mammal Protection Act of 1972 (16 U.S.C.
12 1371(a)(5)) is amended—

13 (1) in subparagraph (A), by adding at the end
14 the following:

15 “Notwithstanding the preceding sentence, the Sec-
16 retary is not required to publish notice under this
17 subparagraph with respect to incidental takings
18 while engaged in a military readiness activity (as de-
19 fined in section 315(f) of Public Law 107–314; 16
20 U.S.C. 703 note) authorized by the Secretary of De-
21 fense, except in the Federal Register.”;

22 (2) in subparagraph (D), by adding at the end
23 the following new clause:

24 “(vi) Notwithstanding clause (iii), the Secretary
25 is not required to publish notice under this subpara-

graph with respect to an authorization under clause (i) of incidental takings while engaged in a military readiness activity (as defined in section 315(f) of Public Law 107–314; 16 U.S.C. 703 note) authorized by the Secretary of Defense, except in the Federal Register.”; and

(3) by adding at the end the following new subparagraph:

“(F) In determining whether a military readiness activity (as defined in section 315(f) of Public Law 107–314; 16 U.S.C. 703 note) authorized by the Secretary of Defense is in compliance with the requirements of subparagraphs (A), (B), and (D), the following references shall not apply:

“(i) In subparagraph (A), ‘within a specified geographical region’ and ‘within that region of small numbers’.

“(ii) In subparagraph (B), ‘within a specified geographical region’ and ‘within one or more regions’.

“(iii) In subparagraph (D), ‘within a specific geographic region’, ‘of small numbers’, and ‘within that region’.”.

1 **SEC. 319. LIMITATION ON DEPARTMENT OF DEFENSE RE-**
2 **SPONSIBILITY FOR CIVILIAN WATER CON-**
3 **SUMPTION IMPACTS RELATED TO FORT**
4 **HUACHUCA, ARIZONA.**

5 (a) **RULE OF CONSTRUCTION.**—For purposes of sec-
6 tion 7 of the Endangered Species Act of 1973 (16 U.S.C.
7 1536), in the case of Fort Huachuca, Arizona, the Sec-
8 retary of the Army may be held responsible for water con-
9 sumption that occurs on that military installation (or out-
10 side of that installation but under the direct authority and
11 control of the Secretary). The Secretary of the Army is
12 not responsible for water consumption that occurs outside
13 of Fort Huachuca and is beyond the direct authority and
14 control of the Secretary even though the water is derived
15 from a watershed basin shared by that military installa-
16 tion and the water consumption outside of that installation
17 may impact a critical habitat or endangered species out-
18 side the installation.

19 (b) **VOLUNTARY EFFORTS.**—Nothing in this section
20 shall prohibit the Secretary of the Army from voluntarily
21 undertaking efforts to mitigate water consumption related
22 to Fort Huachuca.

23 (c) **DEFINITION OF WATER CONSUMPTION.**—In this
24 section, the term “water consumption” means the con-
25 sumption of water, from any source, for human purposes

1 of any kind, including household or industrial use, irriga-
2 tion, or landscaping.

3 (d) EFFECTIVE DATE.—This section applies only to
4 Department of Defense actions regarding which consulta-
5 tion or reconsultation under section 7 of the Endangered
6 Species Act of 1973 (16 U.S.C. 1536) is first required
7 with regard to Fort Huachuca on or after the date of the
8 enactment of this Act.

9 **SEC. 320. CONSTRUCTION OF WETLAND CROSSINGS, CAMP**
10 **SHELBY COMBINED ARMS MANEUVER AREA,**
11 **CAMP SHELBY, MISSISSIPPI.**

12 Amounts authorized to be appropriated by section
13 301(1) for operation and maintenance for the Army shall
14 be available to the Secretary of the Army to construct wet-
15 lands crossings at the Camp Shelby Combined Arms Ma-
16 neuver Area at Camp Shelby, Mississippi, for the purpose
17 of ensuring that combat arms training performed at that
18 area is conducted in conformance with the spirit and in-
19 tent of applicable environmental laws.

1 **Subtitle C—Workplace and Depot**
2 **Issues**

3 **SEC. 321. EXCLUSION OF CERTAIN EXPENDITURES FROM**
4 **PERCENTAGE LIMITATION ON CONTRACTING**
5 **FOR PERFORMANCE OF DEPOT-LEVEL MAIN-**
6 **TENANCE AND REPAIR WORKLOADS.**

7 Section 2474(f)(1) of title 10, United States Code,
8 is amended by striking “entered into during fiscal years
9 2003 through 2006”.

10 **SEC. 322. HIGH-PERFORMING ORGANIZATION BUSINESS**
11 **PROCESS REENGINEERING PILOT PROGRAM.**

12 (a) PILOT PROGRAM.—(1) The Secretary of Defense
13 shall establish a pilot program under which the Secretary
14 of each military department shall administer, or continue
15 the implementation of, high-performing organizations at
16 military installations through the conduct of a Business
17 Process Reengineering initiative.

18 (2) The implementation and management of a Busi-
19 ness Process Reengineering initiative under the pilot pro-
20 gram shall be the responsibility of the commander of the
21 military installation at which the Business Process Re-
22 engineering initiative is carried out.

23 (b) ELIGIBLE ORGANIZATIONS.—Two types of orga-
24 nizations are eligible for selection to participate in the
25 pilot program:

1 (1) Organizations that underwent a Business
2 Process Reengineering initiative within the preceding
3 five years, achieved major performance enhance-
4 ments under the initiative, and will be able to sus-
5 tain previous or achieve new performance goals
6 through the continuation of its existing or completed
7 Business Process Reengineering plan.

8 (2) Organizations that have not undergone or
9 have not successfully completed a Business Process
10 Reengineering initiative, but which propose to
11 achieve, and reasonably could reach, enhanced per-
12 formance goals through implementation of a Busi-
13 ness Process Reengineering initiative.

14 (c) ADDITIONAL ELIGIBILITY REQUIREMENTS.—(1)
15 To be eligible for selection to participate in the pilot pro-
16 gram under subsection (b)(1), an organization described
17 in such subsection must be able to demonstrate the com-
18 pletion of a total organizational assessment that resulted
19 in enhanced performance measures at least comparable to
20 those that might be achieved through competitive
21 sourcing.

22 (2) To be eligible for selection to participate in the
23 pilot program under subsection (b)(2), an organization de-
24 scribed in such subsection must be able to identify—

1 (A) functions, processes, and measures to be
2 studied under the Business Process Reengineering
3 initiative;

4 (B) adequate resources for assignment to carry
5 out the Business Process Reengineering initiative;
6 and

7 (C) labor/management agreements in place to
8 ensure effective implementation of the Business
9 Process Reengineering initiative.

10 (d) PILOT PROGRAM LIMITATIONS.—The pilot pro-
11 gram shall be subject to the following limitations:

12 (1) Total participants is limited to 15 military
13 installations, with some participants to be drawn
14 from organizations described in subsection (b)(1)
15 and some participants drawn from organizations de-
16 scribed in subsection (b)(2).

17 (2) During the implementation period for the
18 Business Process Reengineering initiative, but not to
19 exceed one year, a participating organization shall
20 not be subject to any Office of Management and
21 Budget Circular A-76 competition or other public-
22 private competition involving any function covered
23 by the Business Process Reengineering initiative.

24 (e) EFFECT OF SUCCESSFUL IMPLEMENTATION.—
25 An organization designated as a high-performing organi-

1 zation as a result of successful implementation of a Busi-
2 ness Process Reengineering initiative under the pilot pro-
3 gram shall be exempt, during the five-year period following
4 such designation, from any Office of Management and
5 Budget Circular A-76 competition or other public-private
6 competition involving any function that was studied under
7 the Business Process Reengineering initiative.

8 (f) REVIEWS AND REPORTS.—The Secretaries of the
9 military departments shall conduct annual performance
10 reviews of the participating organizations or functions
11 within their respective departments. Reviews and reports
12 shall evaluate organizational performance measures or
13 functional performance measures and determine whether
14 organizations are performing satisfactorily for purposes of
15 continuing participation in the pilot program.

16 (g) PERFORMANCE MEASURES.—Performance meas-
17 ures should include the following, which shall be measured
18 against organizational baselines determined before partici-
19 pation in the pilot program:

20 (1) Costs, savings, and overall financial per-
21 formance of the organization.

22 (2) Organic knowledge, skills or expertise.

23 (3) Efficiency and effectiveness of key functions
24 or processes.

1 (4) Efficiency and effectiveness of the overall
2 organization.

3 (5) General customer satisfaction.

4 (h) DEFINITIONS.—In this section

5 (1) The term “high-performing organization”
6 means an organization whose performance exceeds
7 that of comparable providers, whether public or pri-
8 vate.

9 (2) The term “Business Process Re-
10 engineering” refers to an organization’s complete
11 and thorough analysis and reengineering of mission
12 and support functions and processes to achieve im-
13 provements in performance, including a fundamental
14 reshaping of the way work is done to better support
15 an organization’s mission and reduce costs.

16 **SEC. 323. DELAYED IMPLEMENTATION OF REVISED OFFICE**
17 **OF MANAGEMENT AND BUDGET CIRCULAR A-**
18 **76 BY DEPARTMENT OF DEFENSE PENDING**
19 **REPORT.**

20 (a) LIMITATION PENDING REPORT.—No studies or
21 competitions may be conducted under the policies and pro-
22 cedures contained in any revisions to Office of Manage-
23 ment and Budget Circular A–76, as the circular exists as
24 of May 1, 2003, for possible contracting out of work being
25 performed, as of such date, by employees of the Depart-

1 ment of Defense, until the end of the 45-day period begin-
2 ning on the date on which the Secretary of Defense sub-
3 mits to Congress a report on the impacts and effects of
4 the revisions.

5 (b) CONTENT OF REPORT.—The report required by
6 subsection (a) shall contain, at a minimum, specific infor-
7 mation regarding the following:

8 (1) The extent to which the revisions will en-
9 sure that employees of the Department of Defense
10 have the opportunity to compete to retain their jobs.

11 (2) The extent to which the revisions will pro-
12 vide appeal and protest rights to employees of the
13 Department of Defense that are equivalent to those
14 available to contractors.

15 (3) Identify safeguards in the revisions to en-
16 sure that all public-private competitions are fair, ap-
17 propriate, and comply with requirements of full and
18 open competition.

19 (4) The plans and strategies of the Department
20 to ensure an appropriate phase-in period for the re-
21 visions, as recommended by the Commercial Activi-
22 ties Panel of the Government Accounting Office in
23 its April 2002 report to Congress, including rec-
24 ommendations for any legislative changes that may

1 be required to ensure a smooth and efficient phase-
2 in period.

3 (5) The plans and strategies of the Department
4 to collect and analyze data on the costs and quality
5 of work contracted out or retained in-house as a re-
6 sult of a sourcing process conducted under the re-
7 vised Office of Management and Budget circular A-
8 76.

9 **SEC. 324. NAVAL AVIATION DEPOTS MULTI-TRADES DEM-**
10 **ONSTRATION PROJECT.**

11 (a) DEMONSTRATION PROJECT REQUIRED.—In ac-
12 cordance with section 4703 of title 5, United States Code,
13 the Secretary of the Navy shall establish a demonstration
14 project under which three Naval Aviation Depots are given
15 the flexibility to promote by one grade level workers who
16 are certified at the journey level as able to perform mul-
17 tiple trades.

18 (b) SELECTION REQUIREMENTS.—As a condition on
19 eligibility for selection to participate in the demonstration
20 project, a Naval Aviation Depot shall submit to the Sec-
21 retary a business case analysis and concept plan—

22 (1) that, on the basis of the results of analysis
23 of work processes, demonstrate that process im-
24 provements would result from the trade combina-

1 tions proposed to be implemented under the dem-
2 onstration project; and

3 (2) that describes the resulting improvements in
4 cost, quality, or schedule.

5 (c) PARTICIPATING WORKERS.—(1) Actual worker
6 participation in the demonstration project shall be deter-
7 mined through competitive selection. Not more than 15
8 percent of the wage grade journeyman at a demonstration
9 project location may be selected to participate.

10 (2) Job descriptions and competency-based training
11 plans must be developed for each worker while in training
12 under the demonstration project and once certified as a
13 multi-trade worker. A certified multi-trade worker who re-
14 ceives a pay grade promotion under the demonstration
15 project must use each new skill during at least 25 percent
16 of the worker's work week.

17 (d) FUNDING SOURCE.—Amounts appropriated for
18 operation and maintenance of the Naval Aviation Depots
19 selected to participate in the demonstration project shall
20 be used as the source of funds to carry out the demonstra-
21 tion project, including the source of funds for pay in-
22 creases made under the project.

23 (e) DURATION.—The demonstration project shall be
24 conducted during fiscal years 2004 through 2006.

1 (f) REPORT.—Not later than January 15, 2007, the
 2 Secretary shall submit a report to Congress describing the
 3 results of the demonstration project.

4 (g) GAO EVALUATION.—The Secretary shall trans-
 5 mit a copy the report to the Comptroller General. Within
 6 90 days after receiving a report, the Comptroller General
 7 shall submit to Congress an evaluation of the report.

8 **Subtitle D—Information**

9 **Technology**

10 **SEC. 331. PERFORMANCE-BASED AND RESULTS-BASED**

11 **MANAGEMENT REQUIREMENTS FOR CHIEF**

12 **INFORMATION OFFICERS OF DEPARTMENT**

13 **OF DEFENSE.**

14 (a) ACCOUNTABILITY.—Section 2223 of title 10,
 15 United States Code, is amended—

16 (1) by redesignating subsection (c) as sub-
 17 section (e); and

18 (2) by inserting after subsection (b) the fol-
 19 lowing new subsection:

20 “(c) PERFORMANCE-BASED AND RESULTS-BASED
 21 MANAGEMENT.—In addition to the responsibilities pro-
 22 vided for in subsections (a) and (b), the Chief Information
 23 Officer of the Department of Defense and the Chief Infor-
 24 mation Officer of a military department shall—

1 “(1) encourage the use of performance-based
2 and results-based management in fulfilling the re-
3 sponsibilities provided for in subsections (a) and (b),
4 as applicable;

5 “(2) evaluate the information resources man-
6 agement practices of the department concerned with
7 respect to the performance and results of the invest-
8 ments made by the department in information tech-
9 nology;

10 “(3) establish effective and efficient capital
11 planning processes for selecting, managing, and eval-
12 uating the results of all of the department’s major
13 investments in information systems;

14 “(4) ensure that any analysis of the missions of
15 the department is adequate and make recommenda-
16 tions, as appropriate, on the department’s mission-
17 related processes, administrative processes, and any
18 significant investments in information technology to
19 be used in support of those missions; and

20 “(5) ensure that information security policies,
21 procedures, and practices are adequate.”.

22 (b) DEFENSE AGENCY RESPONSIBILITIES.—Section
23 2223 of title 10, United States Code, is further amended
24 by inserting after subsection (c), as added by subsection
25 (a), the following new subsection:

1 “(d) DEFENSE AGENCIES AND FIELD ACTIVITIES.—
 2 The Secretary of Defense shall require the Director of
 3 each Defense Agency and Department of Defense Field
 4 Activity to ensure that the responsibilities set forth in sub-
 5 sections (b) and (c) for Chief Information Officers of mili-
 6 tary departments are carried out within the Agency or
 7 Field Activity by any officer or employee acting as a chief
 8 information officer or carrying out duties similar to a chief
 9 information officer.”.

10 **Subtitle E—Other Matters**

11 **SEC. 341. CATALOGING AND STANDARDIZATION FOR DE-** 12 **FENSE SUPPLY MANAGEMENT.**

13 (a) STANDARDIZATION METHODS.—Section 2451 of
 14 title 10, United States Code, is amended to read as fol-
 15 lows:

16 **“§ 2451. Defense supply management**

17 “(a) SINGLE CATALOG SYSTEM.—The Secretary of
 18 Defense shall adopt, implement and maintain a single
 19 catalog system for standardizing supplies for the Depart-
 20 ment of Defense. The single catalog system shall be used
 21 for each supply the Department uses, buys, stocks, or dis-
 22 tributes.

23 “(b) STANDARDIZATION REQUIREMENTS.—To the
 24 highest degree practicable, the Secretary of Defense
 25 shall—

1 “(1) adopt and use single commercial standards
2 or voluntary standards, in consultation with industry
3 advisory groups, in order to eliminate overlapping
4 and duplicate specifications for supplies for the De-
5 partment of Defense and to reduce the number of
6 sizes and kind of supplies that are generally similar;

7 “(2) standardize the methods of packing, pack-
8 aging, and preserving supplies; and

9 “(3) make efficient use of the services and fa-
10 cilities for inspecting, testing, and accepting sup-
11 plies.

12 “(c) CONSULTATION AND COOPERATION.—The Sec-
13 retary of Defense shall maintain liaison with industry ad-
14 visory groups to coordinate the development of the supply
15 catalog and the standardization program with the best
16 practices of industry and to obtain the fullest practicable
17 cooperation and participation of industry in developing the
18 supply catalog and the standardization program.”.

19 (b) EQUIPMENT STANDARDIZATION WITH NATO
20 MEMBERS.—Section 2457 of such title is amended by
21 striking subsection (d).

22 (c) CONFORMING REPEALS.—(1) Chapter 145 of
23 such title is amended by striking sections 2452, 2453, and
24 2454.

1 (2) The table of sections at the beginning of such
 2 chapter is amended by striking the items related to sec-
 3 tions 2452, 2453, and 2454.

4 **SEC. 342. SPACE-AVAILABLE TRANSPORTATION FOR DE-**
 5 **PENDENTS OF MEMBERS ASSIGNED TO OVER-**
 6 **SEAS DUTY LOCATIONS FOR CONTINUOUS**
 7 **PERIOD IN EXCESS OF ONE YEAR.**

8 (a) IN GENERAL.—Chapter 157 of title 10, United
 9 States Code, is amended by adding at the end the fol-
 10 lowing new section:

11 **“§ 2648. Dependents of members assigned to overseas**
 12 **duty locations for continuous period in**
 13 **excess of one year: space-available trans-**
 14 **portation**

15 “(a) AUTHORITY.—The Secretary of Defense shall
 16 authorize travel on Government aircraft on a space-avail-
 17 able basis for dependents of members on active duty as-
 18 signed to duty at an overseas location as described in sub-
 19 section (b) to the same extent as such travel is authorized
 20 for a dependent of a member assigned to that duty loca-
 21 tion in a permanent change of station status.

22 “(b) DUTY STATUS COVERED.—Duty at an overseas
 23 location described in this subsection is duty for a contin-
 24 uous period in excess of one year that is in a temporary

1 duty status or that is in a permanent duty status without
2 change of station.

3 “(c) TYPES OF TRANSPORTATION AUTHORIZED.—If
4 authorized for other members at that duty location, travel
5 provided under this section may include (1) travel between
6 the overseas duty location and the United States and re-
7 turn, and (2) travel between the overseas duty location
8 and another overseas location and return.

9 “(d) ALASKA AND HAWAII.—For purposes of this
10 section, duty in Alaska or Hawaii shall be considered to
11 be duty at an overseas location.”.

12 (b) CLERICAL AMENDMENT.—The table of sections
13 at the beginning of such chapter is amended by adding
14 at the end the following new item:

“2648. Dependents of members assigned to overseas duty locations for contin-
uous period in excess of one year: space-available transpor-
tation.”.

15 **SEC. 343. PRESERVATION OF AIR FORCE RESERVE WEATH-**
16 **ER RECONNAISSANCE MISSION.**

17 The Secretary of Defense shall not disestablish, dis-
18 continue, or transfer the weather reconnaissance mission
19 of the Air Force Reserve unless the Secretary determines
20 that another organization or entity can demonstrate that
21 it has the capability to perform the same mission with the
22 same capability as the Air Force Reserve.

1 **SEC. 344. EXPANSION OF DEPARTMENT OF DEFENSE EX-**
2 **CESS PERSONAL PROPERTY DISPOSAL PRO-**
3 **GRAM TO INCLUDE HEALTH AGENCIES IN AD-**
4 **DITION TO LAW ENFORCEMENT AND FIRE-**
5 **FIGHTING AGENCIES.**

6 (a) INCLUSION OF HEALTH AGENCIES.—Section
7 2576b of title 10, United States Code, is amended—

8 (1) by striking subsection (a) and inserting the
9 following new subsection (a):

10 “(a) TRANSFER AUTHORIZED.—Subject to sub-
11 section (b), the Secretary of Defense may transfer to a
12 firefighting agency or health agency in a State any per-
13 sonal property of the Department of Defense that the Sec-
14 retary determines is—

15 “(1) excess to the needs of the Department of
16 Defense; and

17 “(2) suitable for use in providing fire and emer-
18 gency medical services or responding to health or en-
19 vironmental emergencies, including personal protec-
20 tive equipment and equipment for communication
21 and monitoring.”; and

22 (2) in subsection (b)(2) and (c), by striking
23 “firefighting” both places it appears.

24 (b) CLERICAL AMENDMENTS.—(1) The heading of
25 such section is amended to read as follows:

1 **“§ 2576b. Excess personal property: sale or donation**
 2 **to assist firefighting agencies and health**
 3 **agencies**

4 (2) The table of sections at the beginning of chapter
 5 153 of such title is amended by striking the item relating
 6 to section 2576b and inserting the following new item:

“2576b. Excess personal property: sale or donation to assist firefighting agencies and health agencies.”.

7 **SEC. 345. DEPARTMENT OF DEFENSE PUBLIC HEALTH AS-**
 8 **SESSMENT OF EXPOSURE TO PERCHLORATE.**

9 (a) EPIDEMIOLOGICAL STUDY OF EXPOSURE TO
 10 PERCHLORATE.—

11 (1) IN GENERAL.—The Secretary of Defense
 12 shall provide for an independent epidemiological
 13 study of exposure to perchlorate in drinking water.

14 (2) PERFORMANCE OF STUDY.—The Secretary
 15 shall provide for the performance of the study under
 16 this subsection through the Centers for Disease Con-
 17 trol, the National Institutes of Health, or another
 18 Federal entity with experience in environmental tox-
 19 icology selected by the Secretary for purposes of the
 20 study.

21 (3) MATTERS TO BE INCLUDED IN STUDY.—In
 22 providing for the study under this subsection, the
 23 Secretary shall require the Federal entity conducting
 24 the study—

1 (A) to assess the incidence of thyroid dis-
2 ease and measurable effects of thyroid function
3 in relation to exposure to perchlorate;

4 (B) to ensure that the study is of sufficient
5 scope and scale to permit the making of mean-
6 ingful conclusions of the measurable public
7 health threat associated with exposure to per-
8 chlorate, especially the threat to sensitive sub-
9 populations; and

10 (C) to study thyroid function, including
11 measurements of urinary iodine and thyroid
12 hormone levels, in a sufficient number of preg-
13 nant women, neonates, and infants exposed to
14 perchlorate in drinking water and match meas-
15 urements of perchlorate levels in the drinking
16 water of each study participant in order to per-
17 mit the development of meaningful conclusions
18 on the public health threat to individuals ex-
19 posed to perchlorate.

20 (4) REPORT ON STUDY.—The Secretary shall
21 require the Federal entity conducting the study
22 under this subsection to submit to the Secretary a
23 report on the study not later than June 1, 2005.

24 (b) REVIEW OF EFFECTS OF PERCHLORATE ON EN-
25 DOCRINE SYSTEM.—

1 (1) IN GENERAL.—The Secretary shall provide
2 for an independent review of the effects of per-
3 chlorate on the human endocrine system.

4 (2) PERFORMANCE OF REVIEW.—The Secretary
5 shall provide for the performance of the review
6 under this subsection through the Centers for Dis-
7 ease Control, the National Institutes of Health, or
8 another appropriate Federal research entity with ex-
9 perience in human endocrinology selected by the Sec-
10 retary for purposes of the review. The Secretary
11 shall ensure that the panel conducting the review is
12 composed of individuals with expertise in human en-
13 docrinology.

14 (3) MATTERS TO BE INCLUDED IN REVIEW.—
15 In providing for the review under this subsection,
16 the Secretary shall require the Federal entity con-
17 ducting the review to assess—

18 (A) available data on human exposure to
19 perchlorate, including clinical data and data on
20 exposure of sensitive subpopulations, and the
21 levels at which health effects were observed; and

22 (B) available data on other substances that
23 have endocrine effects similar to perchlorate to
24 which the public is frequently exposed.

1 (4) REPORT ON REVIEW.—The Secretary shall
2 require the Federal entity conducting the review
3 under this subsection to submit to the Secretary a
4 report on the review not later than June 1, 2005.

5 **SEC. 346. PERMANENT AUTHORITY FOR PURCHASE OF CER-**
6 **TAIN MUNICIPAL SERVICES AT INSTALLA-**
7 **TIONS IN MONTEREY COUNTY, CALIFORNIA.**

8 (a) AUTHORITY.—Subject to subsection (b), public
9 works, utility, and other municipal services needed for the
10 operation of any Department of Defense asset in Monterey
11 County, California, may be purchased from government
12 agencies located in that county.

13 (b) PROHIBITION ON PURCHASE OF CERTAIN SERV-
14 ICES.—Section 2465 of title 10, United States Code, relat-
15 ing to the purchase of firefighting or security-guard serv-
16 ices at a military installation, applies with respect to the
17 authority provided by subsection (a).

18 (c) CONFORMING AMENDMENT.—Section 816 of the
19 National Defense Authorization Act for Fiscal Year 1995
20 (Public Law 103–337; 108 Stat. 2820) is repealed.

1 **TITLE IV—MILITARY**
2 **PERSONNEL AUTHORIZATIONS**
3 **Subtitle A—Active Forces**

4 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

5 The Armed Forces are authorized strengths for active
6 duty personnel as of September 30, 2004, as follows:

7 (1) The Army, 482,375.

8 (2) The Navy, 375,700.

9 (3) The Marine Corps, 175,000.

10 (4) The Air Force, 361,268.

11 **SEC. 402. REVISION IN PERMANENT ACTIVE DUTY END**
12 **STRENGTH MINIMUM LEVELS.**

13 Effective October 1, 2003, section 691(b) of title 10,
14 United States Code, is amended as follows:

15 (1) ARMY.—Paragraph (1) is amended by strik-
16 ing “480,000” and inserting “482,375”.

17 (2) AIR FORCE.—Paragraph (4) is amended by
18 striking “359,000” and inserting “361,268”.

19 **Subtitle B—Reserve Forces**

20 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

21 (a) IN GENERAL.—The Armed Forces are authorized
22 strengths for Selected Reserve personnel of the reserve
23 components as of September 30, 2004, as follows:

24 (1) The Army National Guard of the United
25 States, 350,000.

1 (2) The Army Reserve, 205,000.

2 (3) The Naval Reserve, 85,900.

3 (4) The Marine Corps Reserve, 39,600.

4 (5) The Air National Guard of the United
5 States, 107,000.

6 (6) The Air Force Reserve, 75,800.

7 (7) The Coast Guard Reserve, 10,000.

8 (b) ADJUSTMENTS.—The end strengths prescribed by
9 subsection (a) for the Selected Reserve of any reserve com-
10 ponent shall be proportionately reduced by—

11 (1) the total authorized strength of units orga-
12 nized to serve as units of the Selected Reserve of
13 such component which are on active duty (other
14 than for training) at the end of the fiscal year; and

15 (2) the total number of individual members not
16 in units organized to serve as units of the Selected
17 Reserve of such component who are on active duty
18 (other than for training or for unsatisfactory partici-
19 pation in training) without their consent at the end
20 of the fiscal year.

21 Whenever such units or such individual members are re-
22 leased from active duty during any fiscal year, the end
23 strength prescribed for such fiscal year for the Selected
24 Reserve of such reserve component shall be proportion-

1 ately increased by the total authorized strengths of such
 2 units and by the total number of such individual members.

3 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
 4 **DUTY IN SUPPORT OF THE RESERVES.**

5 Within the end strengths prescribed in section
 6 411(a), the reserve components of the Armed Forces are
 7 authorized, as of September 30, 2004, the following num-
 8 ber of Reserves to be serving on full-time active duty or
 9 full-time duty, in the case of members of the National
 10 Guard, for the purpose of organizing, administering, re-
 11 cruiting, instructing, or training the reserve components:

12 (1) The Army National Guard of the United
 13 States, 25,386.

14 (2) The Army Reserve, 14,374.

15 (3) The Naval Reserve, 14,384.

16 (4) The Marine Corps Reserve, 2,261.

17 (5) The Air National Guard of the United
 18 States, 12,140.

19 (6) The Air Force Reserve, 1,660.

20 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**
 21 **(DUAL STATUS).**

22 The minimum number of military technicians (dual
 23 status) as of the last day of fiscal year 2004 for the re-
 24 serve components of the Army and the Air Force (notwith-

1 standing section 129 of title 10, United States Code) shall
2 be the following:

3 (1) For the Army National Guard of the
4 United States, 24,589.

5 (2) For the Army Reserve, 7,844.

6 (3) For the Air National Guard of the
7 United States, 22,806.

8 (4) For the Air Force Reserve, 9,991.

9 **SEC. 414. FISCAL YEAR 2004 LIMITATION ON NON-DUAL STA-**
10 **TUS TECHNICIANS.**

11 The number of non-dual status technicians of a re-
12 serve component of the Army or the Air Force as of Sep-
13 tember 30, 2004, may not exceed the following:

14 (1) For the Army Reserve, 910.

15 (2) For the Army National Guard of the United
16 States, 1,600.

17 (3) For the Air Force Reserve, 90.

18 (4) For the Air National Guard of the United
19 States, 350.

20 **SEC. 415. PERMANENT LIMITATIONS ON NUMBER OF NON-**
21 **DUAL STATUS TECHNICIANS.**

22 Section 10217(c) of title 10, United States Code, is
23 amended by striking “and Air Force Reserve may not ex-
24 ceed 175” and inserting “may not exceed 595 and by the
25 Air Force Reserve may not exceed 90”.

1 **Subtitle C—Authorizations of**
2 **Appropriations**

3 **SEC. 421. MILITARY PERSONNEL.**

4 There is hereby authorized to be appropriated to the
5 Department of Defense for military personnel for fiscal
6 year 2004 a total of \$98,634,511,000. The authorization
7 in the preceding sentence supersedes any other authoriza-
8 tion of appropriations (definite or indefinite) for such pur-
9 pose for fiscal year 2004.

10 **SEC. 422. ARMED FORCES RETIREMENT HOME.**

11 There is hereby authorized to be appropriated for fis-
12 cal year 2004 from the Armed Forces Retirement Home
13 Trust Fund the sum of \$65,279,000 for the operation of
14 the Armed Forces Retirement Home.

15 **TITLE V—MILITARY PERSONNEL**
16 **POLICY**

17 **Subtitle A—General and Flag**
18 **Officer Matters**

19 **SEC. 501. STANDARDIZATION OF QUALIFICATIONS FOR AP-**
20 **POINTMENT AS SERVICE CHIEF.**

21 (a) CHIEF OF NAVAL OPERATIONS.—Section
22 5033(a)(1) of title 10, United States Code, is amended
23 by striking “from officers on the active-duty list in the
24 line of the Navy who are eligible to command at sea and

1 who hold the grade of rear admiral or above” and insert-
 2 ing “flag officers of the Navy”.

3 (b) COMMANDANT OF THE MARINE CORPS.—Section
 4 5043(a)(1) of title 10, United States Code, is amended
 5 by striking “from officers on the active-duty list of the
 6 Marine Corps not below the grade of colonel” and insert-
 7 ing “general officers of the Marine Corps”.

8 **Subtitle B—Other Officer** 9 **Personnel Policy Matters**

10 **SEC. 511. REPEAL OF PROHIBITION ON TRANSFER BE-**
 11 **TWEEN LINE OF THE NAVY AND NAVY STAFF**
 12 **CORPS APPLICABLE TO REGULAR NAVY OFFI-**
 13 **CERS IN GRADES ABOVE LIEUTENANT COM-**
 14 **MANDER.**

15 (a) REPEAL.—Section 5582 of title 10, United States
 16 Code, is repealed.

17 (b) CLERICAL AMENDMENT.—The table of sections
 18 at the beginning of chapter 539 of such title is amended
 19 by striking the item relating to section 5582.

20 **SEC. 512. RETENTION OF HEALTH PROFESSIONS OFFICERS**
 21 **TO FULFILL ACTIVE-DUTY SERVICE COMMIT-**
 22 **MENTS FOLLOWING PROMOTION NONSELEC-**
 23 **TION.**

24 (a) IN GENERAL.—Section 632 of title 10, United
 25 States Code, is amended—

1 (1) in subsection (a)(1), by inserting “except as
2 provided in paragraph (3) and in subsection (c),”
3 before “be discharged”; and

4 (2) by adding at the end the following new sub-
5 section:

6 “(c)(1) If a health professions officer described in
7 paragraph (2) is subject to discharge under subsection
8 (a)(1) and, as of the date on which the officer is to be
9 discharged under that paragraph, the officer has not com-
10 pleted a period of active duty service obligation that the
11 officer incurred under section 2005, 2114, 2123, or 2603
12 of this title, the officer shall be retained on active duty
13 until completion of such active duty service obligation, and
14 then be discharged under that subsection, unless sooner
15 retired or discharged under another provision of law.

16 “(2) The Secretary concerned may waive the applica-
17 bility of paragraph (1) to any officer if the Secretary de-
18 termines that completion of the active duty service obliga-
19 tion of that officer is not in the best interest of the service.

20 “(3) This subsection applies to a medical officer or
21 dental officer or an officer appointed in a medical skill
22 other than as a medical officer or dental officer (as defined
23 in regulations prescribed by the Secretary of Defense).”.

1 (b) TECHNICAL AMENDMENTS.—Sections 630(2),
2 631(a)(3), and 632(a)(3) of such title are amended by
3 striking “clause” and inserting “paragraph”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 subsection (a) shall not apply in the case of an officer who
6 as of the date of the enactment of this Act is required
7 to be discharged under section 632(a)(1) of title 10,
8 United States Code, by reason of having failed of selection
9 for promotion to the next higher regular grade a second
10 time.

11 **SEC. 513. INCREASED FLEXIBILITY FOR VOLUNTARY RE-**
12 **TIREMENT FOR MILITARY OFFICERS.**

13 (a) IN GENERAL.—Section 1370 of title 10, United
14 States Code, is amended—

15 (1) in subsection (a)—

16 (A) in paragraph (1)—

17 (i) by striking “except as provided in
18 paragraph (2)” and inserting “subject to
19 paragraphs (2) and (3)”; and

20 (ii) by striking “, for not less than six
21 months”;

22 (B) by redesignating paragraph (3) as
23 paragraph (4); and

24 (C) by striking paragraph (2) and insert-
25 ing the following:

1 “(2) In order to be eligible for voluntary retirement
2 under this title in a grade below the grade of lieutenant
3 colonel or commander, a commissioned officer of the
4 Army, Navy, Air Force, or Marine Corps covered by para-
5 graph (1) must have served on active duty in that grade
6 for not less than six months.

7 “(3)(A) In order to be eligible for voluntary retire-
8 ment in a grade above major or lieutenant commander and
9 below brigadier general or rear admiral (lower half), a
10 commissioned officer of the Army, Navy, Air Force, or
11 Marine Corps covered by paragraph (1) must have served
12 on active duty in that grade for not less than three years,
13 except that the Secretary of Defense may authorize the
14 Secretary of the military department concerned to reduce
15 such period to a period not less than two years.

16 “(B) In order to be eligible for voluntary retirement
17 in a grade above colonel or captain, in the case of the
18 Navy, a commissioned officer of the Army, Navy, Air
19 Force, or Marine Corps covered by paragraph (1) must
20 have served on active duty in that grade for not less than
21 one year.

22 “(C) An officer in a grade above major general or
23 rear admiral may be retired in the highest grade in which
24 the officer served on active duty satisfactorily for not less
25 than one year, upon approval by the Secretary of the mili-

1 tary department concerned and concurrence by the Sec-
2 retary of Defense. The function of the Secretary of De-
3 fense under the preceding sentence may only be delegated
4 to a civilian official in the Office of the Secretary of De-
5 fense appointed by the President, by and with the advice
6 and consent of the Senate.

7 “(D) The President may waive subparagraph (A),
8 (B) or (C) in individual cases involving extreme hardship
9 or exceptional or unusual circumstances. The authority of
10 the President under the preceding sentence may not be
11 delegated.”;

12 (2) in subsection (b), by inserting “or whose
13 service on active duty in that grade was not deter-
14 mined to be satisfactory by the Secretary of the mili-
15 tary department concerned” after “specified in sub-
16 section (a)”;

17 (3) by striking subsection (c); and

18 (4) by redesignating subsection (d) as sub-
19 section (c) and in that subsection—

20 (A) in paragraph (3)—

21 (i) in subparagraph (A)—

22 (I) by inserting “(i)” after
23 “(3)(A)”;

1 (II) by inserting “and below brig-
2 adier general or rear admiral (lower
3 half)” after “lieutenant commander”;

4 (III) by inserting “, except that
5 the Secretary of Defense may author-
6 ize the Secretary of the military de-
7 partment concerned to reduce such
8 period to a period not less than two
9 years” after “three years”; and

10 (IV) by adding at the end the fol-
11 lowing new clauses:

12 “(ii) In order to be credited with satisfactory service
13 in a grade above colonel or captain, in the case of the
14 Navy, a person covered by paragraph (1) must have served
15 satisfactorily in that grade (as determined by the Sec-
16 retary of the military department concerned) as a reserve
17 commissioned officer in active status, or in a retired status
18 on active duty, for not less than one year.

19 “(iii) An officer covered by paragraph (1) who is in
20 a grade above the grade of major general or rear admiral
21 may be retired in the highest grade in which the officer
22 served satisfactorily for not less than one year, upon ap-
23 proval by the Secretary of the military department con-
24 cerned and concurrence by the Secretary of Defense. The
25 function of the Secretary of Defense under the preceding

1 sentence may only be delegated to a civilian official in the
 2 Office of the Secretary of Defense appointed by the presi-
 3 dent, by and with the advice and consent of the Senate.”;

4 (ii) in subparagraphs (D) and (E), by
 5 striking “subparagraph (A)” and inserting
 6 “subparagraph (A)(i)”; and

7 (iii) by striking subparagraph (F);
 8 and

9 (B) by striking paragraphs (5) and (6);
 10 and

11 (5) by striking subsection (e).

12 (b) CONFORMING AMENDMENTS.—Section
 13 1406(i)(2) of such title is amended—

14 (1) in the paragraph heading, by striking
 15 “MEMBERS” and all that follows through “SATISFAC-
 16 TORILY” and inserting “ENLISTED MEMBERS RE-
 17 DUCED IN GRADE”;

18 (2) by striking “a member” and inserting “an
 19 enlisted member”;

20 (3) by striking “1998—” and all that follows
 21 through “is reduced in” and inserting “1998, is re-
 22 duced in”;

23 (4) by striking “; or” and inserting a period;
 24 and

25 (5) by striking subparagraph (B).

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply with respect to the determination
 3 of the retired grade of members of the Armed Forces retir-
 4 ing on or after the date of the enactment of this Act.

5 **SEC. 514. REPEAL OF REQUIRED GRADE OF DEFENSE**
 6 **ATTACHÉ IN FRANCE.**

7 (a) IN GENERAL.—Section 714 of title 10, United
 8 States Code, is repealed.

9 (b) CONFORMING AMENDMENT.—The table of sec-
 10 tions at the beginning of chapter 41 of such title is amend-
 11 ed by striking the item relating to section 714.

12 **Subtitle C—Reserve Component**
 13 **Matters**

14 **SEC. 521. STREAMLINED PROCESS FOR CONTINUATION OF**
 15 **OFFICERS ON THE RESERVE ACTIVE-STATUS**
 16 **LIST.**

17 (a) REPEAL OF REQUIREMENT FOR USE OF SELEC-
 18 TION BOARDS.—Section 14701 of title 10, United States
 19 Code, is amended—

20 (1) in subsection (a)—

21 (A) in paragraph (1), by striking “by a se-
 22 lection board convened under section 14101(b)
 23 of this title” and inserting “under regulations
 24 prescribed by the Secretary of Defense; and

1 (B) in paragraph (6), by striking “as a re-
2 sult of the convening of a selection board under
3 section 14101(b) of this title” and inserting
4 “under regulations prescribed under paragraph
5 (1)”;
6 (2) by striking subsections (b) and (c); and
7 (3) by redesignating subsection (d) as sub-
8 section (b).

9 (b) CONFORMING AMENDMENTS.—(1) Section
10 14101(b) of such title is amended—

11 (A) by striking “CONTINUATION BOARDS” and
12 inserting “SELECTIVE EARLY SEPARATION
13 BOARDS”;

14 (B) by striking paragraph (1);

15 (C) by redesignating paragraphs (2) and (3) as
16 paragraphs (1) and (2), respectively; and

17 (D) by striking the last sentence.

18 (2) Section 14102(a) of such title is amended by
19 striking “Continuation boards” and inserting “Selection
20 boards convened under section 14101(b) of this title”.

21 (3) Section 14705(b)(1) of such title is amended by
22 striking “continuation board” and inserting “selection
23 board”.

1 **SEC. 522. CONSIDERATION OF RESERVE OFFICERS FOR PO-**
2 **SITION VACANCY PROMOTIONS IN TIME OF**
3 **WAR OR NATIONAL EMERGENCY.**

4 (a) PROMOTION CONSIDERATION WHILE ON ACTIVE-
5 DUTY LIST.—(1) Subsection (d) of section 14317 of title
6 10, United States Code, is amended by striking “If a re-
7 serve officer” and inserting “Except as provided in sub-
8 section (e), if a reserve officer”.

9 (2) Subsection (e) of such section is amended to read
10 as follows:

11 “(e) OFFICERS ORDERED TO ACTIVE DUTY IN TIME
12 OF WAR OR NATIONAL EMERGENCY.—(1) A reserve offi-
13 cer who is not on the active-duty list and who is ordered
14 to active duty in time of war or national emergency may,
15 if eligible, be considered for promotion—

16 “(A) by a mandatory promotion board convened
17 under section 14101(a) of this title or a special se-
18 lection board convened under section 14502 of this
19 title; or

20 “(B) in the case of an officer who has been or-
21 dered to or is serving on active duty in support of
22 a contingency operation, by a vacancy promotion
23 board convened under section 14101(a) of this title.

24 “(2) An officer may not be considered for promotion
25 under this subsection after the end of the two-year period

1 beginning on the date on which the officer is ordered to
2 active duty.

3 “(3) An officer may not be considered for promotion
4 under this subsection during a period when the operation
5 of this section has been suspended by the President under
6 the provisions of section 123 or 10213 of this title.

7 “(4) Consideration of an officer for promotion under
8 this subsection shall be under regulations prescribed by
9 the Secretary of the military department concerned.”.

10 (b) CONFORMING AMENDMENT.—Section
11 14315(a)(1) of such title is amended by striking “as deter-
12 mined by the Secretary concerned, is available” and in-
13 serting “under regulations prescribed by the Secretary
14 concerned, has been recommended”.

15 **SEC. 523. SIMPLIFICATION OF DETERMINATION OF ANNUAL**
16 **PARTICIPATION FOR PURPOSES OF READY**
17 **RESERVE TRAINING REQUIREMENTS.**

18 Subsection (a) of section 10147 of title 10, United
19 States Code, is amended to read as follows:

20 “(a)(1) Except as provided pursuant to paragraph
21 (2), each person who is enlisted, inducted, or appointed
22 in an armed force and who becomes a member of the
23 Ready Reserve under any provision of law other than sec-
24 tion 513 or 10145(b) of this title shall be required, while
25 in the Ready Reserve, to participate in a combination of

1 drills, training periods, and active duty equivalent to 38
2 days (exclusive of travel) during each year.

3 “(2) The Secretary of Defense, and the Secretary of
4 Homeland Security with respect to the Coast Guard when
5 it is not operating as a service in the Navy, may prescribe
6 regulations providing specific exceptions for the require-
7 ments of paragraph (1).”.

8 **SEC. 524. AUTHORITY FOR DELEGATION OF REQUIRED SEC-**
9 **RETARIAL SPECIAL FINDING FOR PLACE-**
10 **MENT OF CERTAIN RETIRED MEMBERS IN**
11 **READY RESERVE.**

12 The last sentence of section 10145(d) of title 10,
13 United States Code, is amended to read as follows: “The
14 authority of the Secretary concerned under the preceding
15 sentence may not be delegated—

16 “(1) to a civilian officer or employee of the mili-
17 tary department concerned below the level of the As-
18 sistant Secretary of the military department con-
19 cerned; or

20 “(2) to a member of the armed forces below the
21 level of the lieutenant general or vice admiral in an
22 armed force with responsibility for military per-
23 sonnel policy in that armed force.”.

1 **SEC. 525. AUTHORITY TO PROVIDE EXPENSES OF ARMY**
2 **AND AIR STAFF PERSONNEL AND NATIONAL**
3 **GUARD BUREAU PERSONNEL ATTENDING NA-**
4 **TIONAL CONVENTIONS OF CERTAIN MILI-**
5 **TARY ASSOCIATIONS.**

6 (a) **AUTHORITY.**—Section 107(a)(2) of title 32,
7 United States Code, is amended—

8 (1) by striking “officers” and inserting “mem-
9 bers”;

10 (2) by striking “Army General Staff” and in-
11 serting “Army Staff”; and

12 (3) by striking “National Guard Association of
13 the United States” and inserting “, Enlisted Asso-
14 ciation of the National Guard of the United States,
15 National Guard Association of the United States,”.

16 (b) **EFFECTIVE DATE.**—The amendments made by
17 subsection (a) shall not apply with respect to funds appro-
18 priated for a fiscal year before fiscal year 2004.

19 **Subtitle D—Military Education and**
20 **Training**

21 **SEC. 531. AUTHORITY FOR THE MARINE CORPS UNIVER-**
22 **SITY TO AWARD THE DEGREE OF MASTER OF**
23 **OPERATIONAL STUDIES.**

24 (a) **AUTHORITY.**—Section 7102 of title 10, United
25 States Code, is amended—

1 (1) by redesignating subsections (c) and (d) as
2 subsections (d) and (e), respectively; and

3 (2) by inserting after subsection (b) the fol-
4 lowing new subsection (c):

5 “(c) COMMAND AND STAFF COLLEGE OF THE MA-
6 RINE CORP UNIVERSITY.—Upon the recommendation of
7 the Director and faculty of the Command and Staff Col-
8 lege of the Marine Corps University, the President of the
9 Marine Corps University may confer the degree of master
10 of operational studies upon graduates of the Command
11 and Staff College’s School of Advanced Warfighting who
12 fulfill the requirements for that degree.”.

13 (b) EFFECTIVE DATE.—The authority to confer the
14 degree of master of operational studies under section
15 7102(c) of title 10, United States Code (as added by sub-
16 section (a)) may not be exercised until the Secretary of
17 Education determines, and certifies to the President of the
18 Marine Corps University, that the requirements estab-
19 lished by the Command and General Staff College of the
20 Marine Corps University for that degree are in accordance
21 with generally applicable requirements for a degree of
22 master of arts. Upon receipt of such a certification, the
23 President of the University shall promptly transmit a copy
24 of the certification to the Committee on Armed Services

1 of the Senate and Committee on Armed Services of the
2 House of Representatives.

3 **SEC. 532. EXPANDED EDUCATIONAL ASSISTANCE AUTHOR-**
4 **ITY FOR CADETS AND MIDSHIPMEN RECEIV-**
5 **ING ROTC SCHOLARSHIPS.**

6 (a) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE
7 ON ACTIVE DUTY.—Section 2107(c) of title 10, United
8 States Code, is amended by adding at the end the fol-
9 lowing new paragraphs:

10 “(3) In the case of a cadet or midshipman eligible
11 to receive financial assistance under paragraph (1) or (2),
12 the Secretary of the military department concerned may,
13 in lieu of all or part of the financial assistance described
14 in paragraph (1), provide financial assistance in the form
15 of room and board expenses for the cadet or midshipman
16 and other expenses required by the educational institution.

17 “(4) The total amount of financial assistance, includ-
18 ing the payment of room and board and other educational
19 expenses, provided to a cadet or midshipman in an aca-
20 demic year under this subsection may not exceed an
21 amount equal to the amount that could be provided as fi-
22 nancial assistance for such cadet or midshipman under
23 paragraph (1) or (2), or other amount determined by the
24 Secretary concerned, without regard to whether room and

1 board and other educational expenses for such cadet or
2 midshipman are paid under paragraph (3).”.

3 (b) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE
4 IN TROOP PROGRAM UNITS.—Section 2107a(c) of such
5 title is amended—

6 (1) by inserting “(1)” after “(c)”; and

7 (2) by adding at the end the following new
8 paragraphs:

9 “(2) In the case of a cadet eligible to receive financial
10 assistance under paragraph (1), the Secretary of the mili-
11 tary department concerned may, in lieu of all or part of
12 the financial assistance described in paragraph (1), pro-
13 vide financial assistance in the form of room and board
14 expenses for such cadet and other expenses required by
15 the educational institution.

16 “(3) The total amount of financial assistance, includ-
17 ing the payment of room and board and any other edu-
18 cational expenses, provided to a cadet in an academic year
19 under this subsection may not exceed an amount equal
20 to the amount that could be provided as financial assist-
21 ance for such cadet under paragraph (1), or other amount
22 determined by the Secretary of the Army, without regard
23 to whether the room and board and other educational ex-
24 penses for such cadet are paid under paragraph (2).”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to payment of expenses of cadets
3 and midshipmen of the Senior Reserve Officers’ Training
4 Corps program that are due after the date of the enact-
5 ment of this Act.

6 **SEC. 533. INCREASE IN ALLOCATION OF SCHOLARSHIPS**
7 **UNDER ARMY RESERVE ROTC SCHOLARSHIP**
8 **PROGRAM TO STUDENTS AT MILITARY JUN-**
9 **IOR COLLEGES.**

10 Section 2107a(h) of title 10, United States Code, is
11 amended by striking “10” each place it appears and in-
12 serting “17”.

13 **SEC. 534. INCLUSION OF ACCRUED INTEREST IN AMOUNTS**
14 **THAT MAY BE REPAID UNDER SELECTED RE-**
15 **SERVE CRITICAL SPECIALTIES EDUCATION**
16 **LOAN REPAYMENT PROGRAM.**

17 Section 16301 of title 10, United States Code, is
18 amended—

19 (1) in subsection (b), by inserting before the pe-
20 riod at the end the following: “, plus the amount of
21 any interest that may accrue during the current
22 year”; and

23 (2) in subsection (c), by adding at the end the
24 following new sentence: “For the purposes of this
25 section, any interest that has accrued on the loan for

1 periods before the current year shall be considered
2 as within the total loan amount that shall be re-
3 paid.”.

4 **SEC. 535. AUTHORITY FOR NONSCHOLARSHIP SENIOR**
5 **ROTC SOPHOMORES TO VOLUNTARILY CON-**
6 **TRACT FOR AND RECEIVE SUBSISTENCE AL-**
7 **LOWANCE.**

8 (a) **AUTHORITY FOR ALLOWANCE.**—Section 209 of
9 title 37, United States Code, is amended—

10 (1) by redesignating subsections (c) and (d) as
11 subsections (d) and (e), respectively; and

12 (2) by inserting after subsection (b) the fol-
13 lowing new subsection (c):

14 “(c) **NONSCHOLARSHIP SENIOR ROTC MEMBERS**
15 **NOT IN ADVANCED TRAINING.**—A member of the Selected
16 Reserve Officers’ Training Corps who has entered into an
17 agreement under section 2103a of title 10 is entitled to
18 a monthly subsistence allowance at a rate prescribed
19 under subsection (a). The allowance may be paid to the
20 member for a maximum of 20 months.”.

21 (b) **AUTHORITY TO ACCEPT ENROLLMENT.**—(1)
22 Chapter 103 of title 10, United States Code, is amended
23 by inserting after section 2103 the following new section:

1 **“§ 2103a. Students not eligible for advanced training:**
2 **commitment to military service**

3 “(a) A member of the program who has completed
4 successfully the first year of a four-year Senior Reserve
5 Officers’ Training Corps course and who is not eligible for
6 advanced training under section 2104 of this title and is
7 not a cadet or midshipman appointed under section 2107
8 of this title may—

9 “(1) contract with the Secretary of the military
10 department concerned, or the Secretary’s designated
11 representative, to serve for the period required by
12 the program; and

13 “(2) agree in writing to accept an appointment,
14 if offered, as a commissioned officer in the Army,
15 Navy, Air Force, or Marine Corps, as the case may
16 be, and to serve in the armed forces for the period
17 prescribed by the Secretary.

18 “(b) A member of the program may enter into a con-
19 tract and agreement under this section (and receive a sub-
20 sistence allowance under section 209(c) of title 37) only
21 if the person—

22 “(1) is a citizen of the United States;

23 “(2) enlists in an armed force under the juris-
24 diction of the Secretary of the military department
25 concerned for the period prescribed by the Secretary;
26 and

1 “(3) executes a certificate of loyalty in such
2 form as the Secretary of Defense prescribes or take
3 a loyalty oath as prescribed by the Secretary.

4 “(c) A member of the program who is a minor may
5 enter into a contract under subsection (a)(1) only with the
6 consent of the member’s parent or guardian.”.

7 (2) The table of sections at the beginning of such
8 chapter is amended by adding at the end the following
9 new item:

 “2103a. Students not eligible for advanced training: commitment to military
 service.”.

10 **SEC. 536. APPOINTMENTS TO MILITARY SERVICE ACAD-**
11 **EMIES FROM NOMINATIONS MADE BY DELE-**
12 **GATES FROM GUAM, VIRGIN ISLANDS, AND**
13 **AMERICAN SAMOA.**

14 (a) UNITED STATES MILITARY ACADEMY.—Section
15 4342(a) of title 10, United States Code, is amended—

16 (1) in paragraphs (6) and (8), by striking
17 “Two” and inserting “Three”; and

18 (2) in paragraph (9), by striking “One” and in-
19 serting “Two”.

20 (b) UNITED STATES NAVAL ACADEMY.—Section
21 6954(a) of such title is amended—

22 (1) in paragraphs (6) and (8), by striking
23 “Two” and inserting “Three”; and

1 (2) in paragraph (9), by striking “One” and in-
2 serting “Two”.

3 (c) UNITED STATES AIR FORCE ACADEMY.—Section
4 9342(a) of such title is amended—

5 (1) in paragraphs (6) and (8), by striking
6 “Two” and inserting “Three”; and

7 (2) in paragraph (9), by striking “One” and in-
8 serting “Two”.

9 (d) EFFECTIVE DATE.—The amendments made by
10 this section shall apply with respect to the nomination of
11 candidates for appointment to the United States Military
12 Academy, the United States Naval Academy, and the
13 United States Air Force Academy for classes entering
14 those academies after the date of the enactment of this
15 Act.

16 **SEC. 537. READMISSION TO SERVICE ACADEMIES OF CER-**
17 **TAIN FORMER CADETS AND MIDSHIPMEN.**

18 (a) INSPECTOR GENERAL REPORT AS BASIS FOR RE-
19 ADMISSION.—(1) When a formal report by an Inspector
20 General within the Department of Defense concerning the
21 circumstances of the separation of a cadet or midshipman
22 from one of the service academies contains a specific find-
23 ing specified in paragraph (2), the Secretary of the mili-
24 tary department concerned may use that report as the sole

1 basis for readmission of the former cadet or midshipman
2 to the respective service or service academy.

3 (2) A finding specified in this paragraph is a finding
4 that substantiates that a former service academy cadet or
5 midshipman, while attending the service academy—

6 (A) received administrative or punitive action or
7 nonjudicial punishment as a result of reprisal;

8 (B) resigned in lieu of disciplinary, administra-
9 tive, or other action that the formal report concludes
10 constituted a threat of reprisal; or

11 (C) otherwise suffered an injustice that contrib-
12 uted to the resignation of the cadet or midshipman.

13 (b) READMISSION.—In the case of a formal report by
14 an Inspector General described in subsection (a), the Sec-
15 retary concerned shall offer the former cadet or mid-
16 shipman an opportunity for readmission to the service
17 academy from which the former cadet or midshipman re-
18 signed, if the former cadet or midshipman is otherwise eli-
19 gible for such readmission.

20 (c) APPLICATIONS FOR READMISSION.—A former
21 cadet or midshipman described in a report referred to in
22 subsection (a) may apply for readmission to the service
23 academy on the basis of that report and shall not be re-
24 quired to submit the request for readmission through a
25 board for the correction of military records.

1 (d) REGULATIONS TO MINIMIZE ADVERSE IMPACT
2 UPON READMISSION.—The Secretary of each military de-
3 partment shall prescribe regulations for the readmission
4 of a former cadet or midshipman described in subsections
5 (a), with the goal, to the maximum extent practicable, of
6 readmitting the former cadet or midshipman at no loss
7 of the academic or military status held by the former cadet
8 at the time of resignation.

9 (e) CONSTRUCTION WITH OTHER REMEDIES.—This
10 section does not preempt or supercede any other remedy
11 that may be available to a former cadet or midshipman.

12 (f) SERVICE ACADEMIES.—In this section, the term
13 “service academy” means the following:

- 14 (1) The United States Military Academy.
15 (2) The United States Naval Academy.
16 (3) The United States Air Force Academy.

17 **SEC. 538. AUTHORIZATION FOR NAVAL POSTGRADUATE**
18 **SCHOOL TO PROVIDE INSTRUCTION TO EN-**
19 **LISTED MEMBERS PARTICIPATING IN CER-**
20 **TAIN PROGRAMS.**

21 (a) INSTRUCTION OF ENLISTED MEMBERS.—Sub-
22 section (a) of section 7045 of title 10, United States Code,
23 is amended by striking paragraph (2) and inserting the
24 following:

1 “(2) The Secretary may permit enlisted members of
2 the armed forces to receive instruction at the Naval Post-
3 graduate School for the purpose of attending—

4 “(A) executive level seminars; or

5 “(B) the information security scholarship pro-
6 gram under chapter 112 of this title.

7 “(3) In addition to instruction authorized under
8 paragraph (2), the Secretary may, on a space-available
9 basis, permit an enlisted member of any of the armed
10 forces to receive instruction at the Naval Postgraduate
11 School if the member is assigned permanently to the staff
12 of the Naval Postgraduate School or to a nearby com-
13 mand.”.

14 (b) REIMBURSEMENT.—Subsection (b) of such sec-
15 tion is amended—

16 (1) by striking “The Department” and insert-
17 ing “(1) Except as provided under paragraph (3),
18 the Department”;

19 (2) by striking “officers” in the first sentence
20 and inserting “members”;

21 (3) by designating the second sentence as para-
22 graph (2) and in that sentence—

23 (A) by inserting “under subsection (a)(3)”
24 after “permitted”;

1 (B) by inserting “on a space-available
2 basis” after “instruction at the Postgraduate
3 School”; and

4 (C) by striking “(taking into consideration
5 the admission of enlisted members on a space-
6 available basis)”; and

7 (4) by adding at the end the following new
8 paragraph:

9 “(3) The Secretary of Defense may prescribe excep-
10 tions to the requirements of paragraph (1) with regard
11 to attendance at the Postgraduate School pursuant to
12 chapter 112 of this title.”.

13 **SEC. 539. DEFENSE TASK FORCE ON SEXUAL HARASSMENT**
14 **AND VIOLENCE AT THE MILITARY SERVICE**
15 **ACADEMIES.**

16 (a) ESTABLISHMENT.—The Secretary of Defense
17 shall establish a Department of Defense task force to ex-
18 amine matters relating to sexual harassment and violence
19 at the United States Military Academy and the United
20 States Naval Academy.

21 (b) RECOMMENDATIONS.—Not later than 12 months
22 after the date on which all members of the task force have
23 been appointed, the task force shall submit to the Sec-
24 retary of Defense a report recommending ways by which
25 the Department of Defense and the military services may

1 more effectively address matters relating to sexual harass-
2 ment and violence at the United States Military Academy
3 and the United States Naval Academy. The report shall
4 include an assessment of, and recommendations (including
5 changes in law) for measures to improve, the following
6 with respect to sexual harassment and violence at those
7 academies:

8 (1) Victims' safety programs.

9 (2) Offender accountability.

10 (3) Effective prevention of sexual harassment
11 and violence.

12 (4) Collaboration among military organizations
13 with responsibility or jurisdiction with respect to
14 sexual harassment and violence.

15 (5) Coordination between military and civilian
16 communities, including local support organizations,
17 with respect to sexual harassment and violence.

18 (6) Coordination between military and civilian
19 communities, including civilian law enforcement re-
20 lating to acts of sexual harassment and violence.

21 (7) Data collection and case management and
22 tracking.

23 (8) Curricula and training, including standard
24 training programs for cadets at the United States
25 Military Academy and midshipmen at the United

1 States Naval Academy and for permanent personnel
2 assigned to those academies.

3 (9) Responses to sexual harassment and vio-
4 lence at those academies, including standard guide-
5 lines.

6 (10) Other issues identified by the task force
7 relating to sexual harassment and violence at those
8 academies.

9 (c) METHODOLOGY.—The task force shall consider
10 the findings and recommendations of previous reviews and
11 investigations of sexual harassment and violence con-
12 ducted for those academies as one of the bases for its as-
13 sessment.

14 (d) REPORT.—(1) The task force shall submit to the
15 Secretary of Defense and the Secretaries of the Army and
16 the Navy a report on the activities of the task force and
17 on the activities of the United States Military Academy
18 and the United States Naval Academy to respond to sex-
19 ual harassment and violence at those academies.

20 (2) The report shall include the following:

21 (A) Any barriers to implementation of improve-
22 ments as a result of those efforts.

23 (B) Other areas of concern not previously ad-
24 dressed in prior reports.

1 (C) The findings and conclusions of the task
2 force.

3 (D) Any recommendations for changes to policy
4 and law as the task force considers appropriate, in-
5 cluding whether cases of sexual assault at those
6 academies should be included in the Department of
7 Defense database known as the Defense Incident-
8 Based Reporting System.

9 (3) Within 90 days of receipt of the report under
10 paragraph (1) the Secretary of Defense shall submit the
11 report, together with the Secretary's evaluation of the re-
12 port, to the Committees on Armed Services of the Senate
13 and House of Representatives.

14 (e) REPORT ON AIR FORCE ACADEMY.—Simulta-
15 neously with the submission of the report under subsection
16 (d)(3), the Secretary of Defense, in coordination with the
17 Secretary of the Air Force, shall submit to the committees
18 specified in that subsection the Secretary's assessment of
19 the effectiveness of corrective actions being taken at the
20 United States Air Force Academy as a result of various
21 investigations conducted at that Academy into matters in-
22 volving sexual assault and harassment.

23 (f) COMPOSITION.—(1) The task force shall consist
24 of not more than 14 members, to be appointed by the Sec-
25 retary of Defense. Members shall be appointed from each

1 of the Army, Navy, Air Force, and Marine Corps, and
2 shall include an equal number of personnel of the Depart-
3 ment of Defense (military and civilian) and persons from
4 outside the Department of Defense. Members appointed
5 from outside the Department of Defense may be appointed
6 from other Federal departments and agencies, from State
7 and local agencies, or from the private sector.

8 (2) The Secretary shall ensure that the membership
9 of the task force appointed from the Department of De-
10 fense includes at least one judge advocate.

11 (3) In appointing members to the task force, the Sec-
12 retary may—

13 (A) consult with the Attorney General regard-
14 ing a representative from the Office of Violence
15 Against Women of the Department of Justice; and

16 (B) consult with the Secretary of Health and
17 Human Services regarding a representative from the
18 Women's Health office of the Department of Health
19 and Human Services.

20 (4) Each member of the task force appointed from
21 outside the Department of Defense shall be an individual
22 who has demonstrated expertise in the area of sexual har-
23 assment and violence or shall be appointed from one of
24 the following:

1 (A) A representative from the Office of Civil
2 Right in the Department of Education.

3 (B) A representative from the Center for Dis-
4 ease Control.

5 (C) A sexual assault policy and advocacy orga-
6 nization.

7 (D) A civilian law enforcement agency.

8 (E) A judicial policy organization.

9 (F) A national crime victim policy organization.

10 (5) The members of the task force shall be appointed
11 not later than 120 days after the date of the enactment
12 of this Act.

13 (g) CO-CHAIRS OF THE TASK FORCE.—There shall
14 be two co-chairs of the task force. One of the co-chairs
15 shall be designated by the Secretary of the Defense at the
16 time of appointment from among the Department of De-
17 fense personnel on the task force. The other co-chair shall
18 be selected from among the members appointed from out-
19 side the Department of Defense by those members.

20 (h) ADMINISTRATIVE SUPPORT.—(1) Each member
21 of the task force who is a member of the Armed Forces
22 or a civilian officer or employee of the United States shall
23 serve without compensation (other than compensation to
24 which entitled as a member of the Armed Forces or an
25 officer or employee of the United States, as the case may

1 be). Other members of the task force shall be appointed
2 in accordance with, and subject to, section 3161 of title
3 5, United States Code.

4 (2) The Deputy Under Secretary of Defense for Per-
5 sonnel and Readiness, under the direction of the Under
6 Secretary of Defense for Personnel and Readiness, shall
7 provide oversight of the task force. The Washington Head-
8 quarters Service of the Department of Defense shall pro-
9 vide the task force with personnel, facilities, and other ad-
10 ministrative support as necessary for the performance of
11 the task force's duties.

12 (3) The Deputy Under Secretary shall coordinate
13 with the Secretary of the Army to provide visits of the
14 task force to the United States Military Academy and with
15 the Secretary of the Navy to provide visits of the task
16 force to the United States Naval Academy.

17 (i) TERMINATION.—The task force shall terminate 90
18 days after the date on which the report of the task force
19 is submitted to the Committees on Armed Services of the
20 Senate and House of Representatives pursuant to sub-
21 section (d)(3).

1 **Subtitle E—Administrative Matters**

2 **SEC. 541. ENHANCEMENTS TO HIGH-TEMPO PERSONNEL**
3 **PROGRAM.**

4 (a) REVISIONS TO DEPLOYMENT LIMITS AND AU-
5 THORITY TO AUTHORIZE EXEMPTIONS.—Subsection (a)
6 of section 991 of title 10, United States Code, is amended
7 to read as follows:

8 “(a) SERVICE AND GENERAL OR FLAG OFFICER RE-
9 SPONSIBILITIES.—(1) Subject to paragraph (3), the de-
10 ployment (or potential deployment) of members of the
11 armed forces shall be managed to ensure that a member
12 is not deployed, or continued in a deployment, on any day
13 on which the total number of days on which the member
14 has been deployed out of the preceding 730 days would
15 exceed the high-deployment threshold.

16 “(2) In this subsection, the term ‘high-deployment
17 threshold’ means—

18 “(A) 400 days; or

19 “(B) a lower number of days prescribed by the
20 Secretary of Defense.

21 “(3) A member may be deployed, or continued in a
22 deployment, without regard to paragraph (1) if the deploy-
23 ment, or continued deployment, is approved by the Sec-
24 retary of Defense. The authority of the Secretary under
25 the preceding sentence may only be delegated to—

1 “(A) a civilian officer of the Department of De-
2 fense appointed by the President, by and with the
3 advise and consent of the Senate, or a member of
4 the Senior Executive Service; or

5 “(B) a general or flag officer in that member’s
6 chain of command (including an officer in the grade
7 of colonel, or in the case of the Navy, captain, serv-
8 ing an in a general or flag officer position who has
9 been selected for promotion to the grade of brigadier
10 general or rear admiral (lower half)).”.

11 (b) CHANGES FROM PER DIEM TO HIGH-DEPLOY-
12 MENT ALLOWANCE.—(1) Subsection (a) of section 436 of
13 title 37, United States Code, is amended to read as fol-
14 lows:

15 “(a) MONTHLY ALLOWANCE.—The Secretary of the
16 military department concerned shall pay a high-deploy-
17 ment allowance to a member of the armed forces under
18 the Secretary’s jurisdiction for each month during which
19 the member—

20 “(1) is deployed; and

21 “(2) at any time during that month—

22 “(A) has been deployed for 191 or more
23 consecutive days (or a lower number of consecu-
24 tive days prescribed by the Secretary of De-
25 fense);

1 “(B) has been deployed, out of the pre-
2 ceding 730 days, for a total of 401 or more
3 days (or a lower number of days prescribed by
4 the Secretary of Defense); or

5 “(C) in the case of a member of a reserve
6 component, is on active duty under a call or
7 order to active duty for a period of more than
8 30 days that is the second (or later) such call
9 or order to active duty (whether voluntary or
10 involuntary) for that member in support of the
11 same contingency operation.”.

12 (2) Subsection (c) of such section is amended to read
13 as follows:

14 “(c) RATE.—The monthly rate of the allowance pay-
15 able to a member under this section shall be determined
16 by the Secretary concerned, not to exceed \$1,000 per
17 month.”.

18 (3) Such section is further amended—

19 (A) in subsection (d), by striking “per diem”;

20 (B) in subsection (e), by striking “per diem”

21 and inserting “allowance”;

22 (C) in subsection (f)—

23 (i) by striking “per diem” and inserting

24 “allowance”; and

1 (ii) by striking “day on” and inserting
2 “month during”; and

3 (D) by adding at the end the following new sub-
4 section:

5 “(g) **AUTHORITY TO EXCLUDE CERTAIN DUTY AS-**
6 **SIGNMENTS.**—The Secretary concerned may exclude mem-
7 bers serving in specified duty assignments from eligibility
8 for the high-deployment allowance while serving in those
9 assignments. Any such specification of duty assignments
10 may only be made with the approval of the Secretary of
11 Defense. Specification of a particular duty assignment for
12 purposes of this subsection may not be implemented so
13 as to apply to the member serving in that position at the
14 time of such specification.”.

15 (4)(A) The heading of such section is amended to
16 read as follows:

17 “§ 436. **Monthly high-deployment allowance for**
18 **lengthy or numerous deployments**”.

19 (B) The item relating to that section in the table of
20 sections at the beginning of chapter 7 of such title is
21 amended to read as follows:

“436. Monthly high-deployment allowance for lengthy or numerous deploy-
ments.”.

22 (c) **CHANGES TO REPORTING REQUIREMENT.**—Sec-
23 tion 487(b)(5) of title 10, United States Code, is amended
24 to read as follows:

1 “(5) For each of the armed forces, the description
2 shall indicate, for the period covered by the report—

3 “(A) the number of members who received the
4 high-deployment allowance under section 436 of title
5 37;

6 “(B) the number of members who received each
7 rate of allowance paid;

8 “(C) the number of members who received the
9 allowance for one month, for two months, for three
10 months, for four months, for five months, for six
11 months, and for more than six months; and

12 “(D) the total amount spent on the allowance.”.

13 **SEC. 542. ENHANCED RETENTION OF ACCUMULATED**
14 **LEAVE FOR HIGH-DEPLOYMENT MEMBERS.**

15 (a) **ENHANCED AUTHORITY TO RETAIN ACCUMU-**
16 **LATED LEAVE.**—Paragraph (1) of section 701(f) of title
17 10, United States Code, is amended to read as follows:

18 “(f)(1)(A) The Secretary concerned, under uniform
19 regulations to be prescribed by the Secretary of Defense,
20 may authorize a member described in subparagraph (B)
21 who, except for this paragraph, would lose any accumu-
22 lated leave in excess of 60 days at the end of the fiscal
23 year, to retain an accumulated total of 120 days leave.

1 “(B) This subsection applies to a member who serves
 2 on active duty for a continuous period of at least 120
 3 days—

4 “(i) in an area in which the member is entitled
 5 to special pay under section 310(a) of title 37; or

6 “(ii) while assigned to a deployable ship or mo-
 7 bile unit or to other duty comparable to that speci-
 8 fied in clause (i) that is designated for the purpose
 9 of this subsection.

10 “(C) Except as provided in paragraph (2), Leave in
 11 excess of 60 days accumulated under this paragraph is
 12 lost unless it is used by the member before the end of
 13 the third fiscal year after the fiscal year in which the con-
 14 tinuous period of service referred to in subparagraph (B)
 15 terminated.”.

16 (b) EFFECTIVE DATE.—The amendment made by
 17 subsection (a) shall take effect on October 1, 2003, or the
 18 date of the enactment of this Act, whichever is later.

19 **SEC. 543. STANDARDIZATION OF TIME-IN-SERVICE RE-**
 20 **QUIREMENTS FOR VOLUNTARY RETIREMENT**
 21 **OF MEMBERS OF THE NAVY AND MARINE**
 22 **CORPS WITH ARMY AND AIR FORCE RE-**
 23 **QUIREMENTS.**

24 (a) OFFICERS IN REGULAR NAVY OR MARINE CORPS
 25 WHO COMPLETED 40 YEARS OF ACTIVE SERVICE.—Sec-

1 tion 6321(a) of title 10, United States Code, is amended
2 by striking “after completing 40 or more years” and in-
3 serting “and has at least 40 years”.

4 (b) OFFICERS IN REGULAR NAVY OR MARINE CORPS
5 WHO COMPLETED 30 YEARS OF ACTIVE SERVICE.—Sec-
6 tion 6322(a) of such title is amended by striking “after
7 completing 30 or more years” and inserting “and has at
8 least 30 years”.

9 (c) OFFICERS IN NAVY OR MARINE CORPS WHO
10 COMPLETED 20 YEARS OF ACTIVE SERVICE.—Section
11 6323(a)(1) of such title is amended by striking “after
12 completing more than 20 years” and inserting “and has
13 at least 20 years”.

14 (d) ENLISTED MEMBERS IN REGULAR NAVY OR MA-
15 RINE CORPS WHO COMPLETED 30 YEARS OF ACTIVE
16 SERVICE.—Section 6326(a) of such title is amended by
17 striking “after completing 30 or more years” and inserting
18 “and has at least 30 years”.

19 (e) TRANSFER OF ENLISTED MEMBERS TO THE
20 FLEET RESERVE AND FLEET MARINE CORPS RE-
21 SERVE.—Section 6330(b) of such title is amended by
22 striking “who has completed 20 or more years” both
23 places it appears and inserting “who has at least 20
24 years”.

1 (f) TRANSFER OF MEMBERS OF THE FLEET RE-
2 SERVE AND FLEET MARINE CORPS RESERVE TO THE RE-
3 TIRED LIST.—Section 6331(a) of such title is amended
4 by striking “completed 30 years” and inserting “has at
5 least 30 years”.

6 (g) EFFECTIVE DATE.—The Secretary of the Navy
7 shall prescribe the date on which the amendments made
8 by this section shall take effect. The Secretary shall pub-
9 lish such date, when prescribed, in the Federal Register.

10 **SEC. 544. STANDARDIZATION OF STATUTORY AUTHORITIES**
11 **FOR EXEMPTIONS FROM REQUIREMENT FOR**
12 **ACCESS TO SECONDARY SCHOOLS BY MILI-**
13 **TARY RECRUITERS.**

14 (a) CONSISTENCY WITH ELEMENTARY AND SEC-
15 ONDARY EDUCATION ACT OF 1965.—Paragraph (5) of
16 section 503(c) of title 10, United States Code, is amended
17 by striking “apply to—” and all that follows through
18 “school which” and inserting “apply to a private sec-
19 ondary school that”.

20 (b) CORRECTION OF CROSS REFERENCE.—Para-
21 graph (6)(A)(i) of such section is amended by striking
22 “14101” and “8801” and inserting “9101” and “7801”,
23 respectively.

1 **SEC. 545. PROCEDURES FOR CONSIDERATION OF APPLICA-**
2 **TIONS FOR AWARD OF THE PURPLE HEART**
3 **MEDAL TO VETERANS HELD AS PRISONERS**
4 **OF WAR BEFORE APRIL 25, 1962.**

5 Subsection (b) of section 521 of the National Defense
6 Authorization Act for Fiscal Year 1996 (Public Law 104–
7 106; 110 Stat. 309; 10 U.S.C. 1129 note) is amended to
8 read as follows:

9 “(b) STANDARDS AND PROCEDURES FOR AWARD.—
10 In determining whether a former prisoner of war is eligible
11 for the award of the Purple Heart under subsection (a),
12 the Secretary concerned shall apply the following proce-
13 dures:

14 “(1) The standard to be used by the Secretary
15 concerned for awarding the Purple Heart under this
16 section shall be to award the Purple Heart in any
17 case in which a prisoner of war (A) was wounded
18 while in captivity, or (B) while in captivity was sub-
19 jected to systematic and prolonged deprivation of
20 food, medical treatment, and other forms of depriva-
21 tion or mistreatment likely to have prolonged
22 aftereffects on the individual concerned.

23 “(2) When a former prisoner of war applies for
24 the Purple Heart under subsection (a), the Secretary
25 concerned may request the former prisoner of war to
26 provide any documentation that the Secretary would

1 otherwise require, but failure of the former prisoner
2 of war to provide such documentation shall not by
3 itself be a disqualification for award of the Purple
4 Heart.

5 “(3) The Secretary concerned shall inform the
6 former prisoner of war that historical information as
7 to the prison camp or other circumstances in which
8 the former prisoner of war was held captive and
9 other information as to the circumstances of the
10 former prisoner of war’s captivity may be considered
11 by the Secretary in evaluating the application for the
12 award of the Purple Heart and that the former pris-
13 oner of war may submit such information.

14 “(4) The Secretary concerned shall provide as-
15 sistance to the applicant for the Purple Heart in ob-
16 taining information referred to in paragraph (3).

17 “(5) The Secretary shall review a completed ap-
18 plication under this section based upon the totality
19 of the evidence presented and shall take into account
20 the length of time between the period during which
21 the applicant was held as a prisoner of war and the
22 date of the application.

23 “(6) In considering an application under this
24 section, the Secretary shall take into account the
25 length of time that the applicant was held in cap-

1 tivity, which while not in itself establishing entitle-
2 ment of the applicant to award of the Purple Heart,
3 can and should be a factor in determining whether
4 a former prisoner of war was likely to have been
5 wounded, starved, or denied medical treatment to
6 the extent likely to have prolonged aftereffects on
7 the individual concerned.”.

8 **SEC. 546. AUTHORITY FOR RESERVE AND RETIRED REG-**
9 **ULAR OFFICERS TO HOLD STATE AND LOCAL**
10 **ELECTIVE OFFICE NOTWITHSTANDING CALL**
11 **TO ACTIVE DUTY.**

12 Section 973(b)(3) of title 10, United States Code, is
13 amended—

14 (1) by inserting “(A)” after “(3)”; and

15 (2) by adding at the end the following:

16 “(B) The prohibition in subparagraph (A) does not
17 apply to the functions of a civil office held by election,
18 in the case of an officer to whom this subsection applies
19 by reason of subparagraph (B) or (C) of paragraph (1).”.

1 **SEC. 547. CLARIFICATION OF OFFENSE UNDER THE UNI-**
2 **FORM CODE OF MILITARY JUSTICE RELAT-**
3 **ING TO DRUNKEN OR RECKLESS OPERATION**
4 **OF A VEHICLE, AIRCRAFT, OR VESSEL.**

5 Section 991 of title 10, United States Code (article
6 111 of the Uniform Code of Military Justice), is amend-
7 ed—

8 (1) in subsection (a)(2) by striking “in excess
9 of” and inserting “at, or in excess of,”; and

10 (2) in subsection (b)(4), by striking “maximum
11 permissible” and all that follows through the period
12 at the end and inserting “amount of alcohol con-
13 centration in a person’s blood or breath at which op-
14 eration or control of a vehicle, aircraft, or vessel is
15 prohibited.”.

16 **SEC. 548. PUBLIC IDENTIFICATION OF CASUALTIES NO**
17 **SOONER THAN 24 HOURS AFTER NOTIFICA-**
18 **TION OF NEXT-OF-KIN.**

19 The Secretary of Defense may not publicly release the
20 name or other personally identifying information of any
21 member of the Army, Navy, Air Force, or Marine Corps
22 who while on active duty or performing inactive duty train-
23 ing is killed or injured, whose duty status becomes un-
24 known, or who is otherwise considered to be a casualty
25 until a period of 24 hours has elapsed after the notifica-
26 tion of the next-of-kin of such member.

Subtitle F—Benefits

2 SEC. 551. ADDITIONAL CLASSES OF INDIVIDUALS ELIGIBLE 3 TO PARTICIPATE IN THE FEDERAL LONG- 4 TERM CARE INSURANCE PROGRAM.

5 (a) CERTAIN EMPLOYEES OF THE DISTRICT OF CO-
6 LUMBIA GOVERNMENT.—Section 9001(1) of title 5,
7 United States Code, is amended by striking “2105(c),”
8 and all that follows and inserting “2105(c).”.

9 (b) FORMER FEDERAL EMPLOYEES WHO WOULD BE
10 ELIGIBLE TO BEGIN RECEIVING AN ANNUITY UPON AT-
11 TAINING THE REQUISITE MINIMUM AGE.—Section
12 9001(2) of title 5, United States Code, is amended—

13 (1) in subparagraph (A), by striking “and” at
14 the end;

15 (2) in subparagraph (B), by striking the period
16 and inserting “; and”; and

17 (3) by adding at the end the following:

18 “(C) any former employee who, on the
19 basis of his or her service, would meet all re-
20 quirements for being considered an ‘annuitant’
21 within the meaning of subchapter III of chapter
22 83, chapter 84, or any other retirement system
23 for employees of the Government, but for the
24 fact that such former employee has not attained
25 the minimum age for title to annuity.”.

1 (c) RESERVISTS TRANSFERRED TO THE RETIRED
 2 RESERVE WHO ARE UNDER AGE 60.—Section 9001(4)
 3 of title 5, United States Code, is amended by striking “in-
 4 cluding” and all that follows through “who has” and in-
 5 serting “and a member who has been transferred to the
 6 Retired Reserve and who would be entitled to retired pay
 7 under chapter 1223 of title 10 but for not having”.

8 **SEC. 552. AUTHORITY TO TRANSPORT REMAINS OF RETIR-**
 9 **EES AND RETIREE DEPENDENTS WHO DIE IN**
 10 **MILITARY TREATMENT FACILITIES OUTSIDE**
 11 **THE UNITED STATES.**

12 (a) AUTHORIZED TRANSPORTATION.—Section 1490
 13 of title 10, United States Code, is amended—

14 (1) in subsection (a), by striking “located in the
 15 United States”; and

16 (2) in subsection (b)(1), by striking “outside
 17 the United States or to a place”.

18 (b) CONFORMING AMENDMENT.—Subsection (c) of
 19 such section is amended to read as follows:

20 “(c) DEFINITION OF DEPENDENT.—In this section,
 21 the term ‘dependent’ has the meaning given such term in
 22 section 1072(2) of this title.”.

23 (c) EFFECTIVE DATE.—The amendments made by
 24 this section shall apply only with respect to persons dying
 25 on or after the date of the enactment of this Act.

1 **SEC. 553. ELIGIBILITY FOR DEPENDENTS OF CERTAIN MO-**
2 **BILIZED RESERVISTS STATIONED OVERSEAS**
3 **TO ATTEND DEFENSE DEPENDENTS SCHOOLS**
4 **OVERSEAS.**

5 (a) TUITION-FREE STATUS PARITY WITH DEPEND-
6 ENTS OF OTHER RESERVISTS.—Section 1404(c) of the
7 Defense Dependents' Education Act of 1978 (20 U.S.C.
8 923(c)) is amended—

9 (1) by inserting “(1)” after “(c)”; and

10 (2) by adding at the end the following new
11 paragraph:

12 “(2)(A) The Secretary shall include in the regulations
13 prescribed under this subsection a requirement that chil-
14 dren in the class of children described in subparagraph
15 (B) shall be subject to the same tuition requirements, or
16 waiver of tuition requirements, as children in the class of
17 children described in subparagraph (C).

18 “(B) The class of children described in this subpara-
19 graph are children of members of reserve components of
20 the Armed Forces who—

21 “(i) are on active duty under an order to active
22 duty under section 12301 or 12302 of title 10,
23 United States Code;

24 “(ii) were ordered to active duty from a location
25 in the United States (other than in Alaska or Ha-
26 waii); and

8 “(i) are on active duty under an order to active
9 duty under section 12301 or 12302 of title 10,
10 United States Code;

14 “(iii) are serving on active duty outside the
15 United States or in Alaska or Hawaii.”.

18 “SPACE-AVAILABLE ENROLLMENT OF STUDENTS;
19 TUITION”.

(c) IMPLEMENTATION OF REQUIRED NEW REGULATIONS.—Regulations required by paragraph (2) of section 1404(c) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 923(c)), as added by subsection (a), shall be prescribed as soon as practicable after the date of the enactment of this Act in order to provide the earliest opportunity for dependents covered by that paragraph to en-

1 roll in Department of Defense dependents' schools, and
2 in no event later than the beginning of the first school
3 term beginning after the date of the enactment of this Act.

4 **Subtitle G—Other Matters**

5 **SEC. 561. EXTENSION OF REQUIREMENT FOR EXEMPLARY**
6 **CONDUCT BY COMMANDING OFFICERS AND**
7 **OTHERS IN AUTHORITY TO INCLUDE CIVIL-**
8 **ANS IN AUTHORITY IN THE DEPARTMENT OF**
9 **DEFENSE.**

10 (a) IN GENERAL.—(1) Chapter 50 of title 10, United
11 States Code, is amended by adding at the end the fol-
12 lowing new section:

13 **“§ 992. Requirement of exemplary conduct: com-**
14 **manding officers and others in authority**

15 “All commanding officers and others in authority in
16 the Department of Defense are required—

17 “(1) to show in themselves a good example of
18 virtue, honor, patriotism, and subordination;

19 “(2) to be vigilant in inspecting the conduct of
20 all persons who are placed under their command or
21 charge;

22 “(3) to guard against and to suppress all disso-
23 lute and immoral practices and to correct, according
24 to applicable laws and regulations, all persons who
25 are guilty of them; and

1 “(4) to take all necessary and proper measures,
2 under the laws, regulations, and customs applicable
3 to the armed forces, to promote and safeguard the
4 morale, the physical well-being, and the general wel-
5 fare of all under their command or charge.”.

6 (2) The table of sections at the beginning of such
7 chapter is amended by adding at the end the following
8 new item:

“992. Requirement of exemplary conduct: commanding officers and others in au-
thority.”.

9 (b) CONFORMING REPEALS.—Title 10, United States
10 Code, is further amended as follows:

11 (1) Section 3583, 5947, and 8583 are repealed.

12 (2)(A) The table of sections at the beginning of
13 chapter 345 is amended by striking the item relating
14 to section 3583.

15 (B) The table of sections at the beginning of
16 chapter 551 is amended by striking the item relating
17 to section 5947.

18 (C) The table of sections at the beginning of
19 chapter 845 is amended by striking the item relating
20 to section 8583.

21 **SEC. 562. RECOGNITION OF MILITARY FAMILIES.**

22 (a) FINDINGS.—Congress makes the following find-
23 ings:

1 (1) The families of both active and reserve com-
2 ponent military personnel, through their sacrifices
3 and their dedication to the Nation and its values,
4 contribute immeasurably to the readiness of the Na-
5 tion's Armed Forces.

6 (2) Without the continued support of military
7 families, the Nation's ability to sustain a high qual-
8 ity all-volunteer military force would be undermined.

9 (3) In these perilous and challenging times,
10 with hundreds of thousands of active and reserve
11 military personnel deployed overseas in places of
12 combat and imminent danger, military families are
13 making extraordinary sacrifices and will be required
14 to do so for the foreseeable future.

15 (4) Beginning in 1997, military family service
16 and support centers have received materials from
17 private, non-profit organizational sources which are
18 designed to encourage and assist those centers in
19 conducting activities to celebrate the American mili-
20 tary family during the Thanksgiving period each No-
21 vember.

22 (b) **MILITARY FAMILY RECOGNITION.**— In view of
23 the findings in subsection (a), Congress determines that
24 it is appropriate that special measures be taken annually
25 to recognize and honor the American military family.

1 (c) DEPARTMENT OF DEFENSE PROGRAMS AND AC-
2 TIVITIES.—The Secretary of Defense shall—

3 (1) implement and sustain programs, including
4 appropriate ceremonies and activities, to celebrate
5 the contributions and sacrifices of the American
6 military family, including both families of both ac-
7 tive and reserve component military personnel;

8 (2) focus the celebration of the American mili-
9 tary family during a specific period of each year to
10 give full and proper highlight to those families; and

11 (3) seek the assistance and support of appro-
12 priate civilian organizations, associations, and other
13 entities in carrying out not only the annual celebra-
14 tion of the American military family, but also in sus-
15 taining longer-term efforts.

16 **SEC. 563. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**
17 **THAT BENEFIT DEPENDENTS OF MEMBERS**
18 **OF THE ARMED FORCES AND DEPARTMENT**
19 **OF DEFENSE CIVILIAN EMPLOYEES.**

20 (a) CONTINUATION OF DEPARTMENT OF DEFENSE
21 PROGRAM FOR FISCAL YEAR 2004.—Of the amount au-
22 thorized to be appropriated pursuant to section 301(5) for
23 operation and maintenance for Defense-wide activities,
24 \$35,000,000 shall be available only for the purpose of pro-

1 viding educational agencies assistance to local educational
2 agencies.

3 (b) NOTIFICATION.—Not later than June 30, 2004,
4 the Secretary of Defense shall notify each local edu-
5 cational agency that is eligible for educational agencies as-
6 sistance for fiscal year 2004 of—

7 (1) that agency’s eligibility for the assistance;
8 and

9 (2) the amount of the assistance for which that
10 agency is eligible.

11 (c) DISBURSEMENT OF FUNDS.—The Secretary of
12 Defense shall disburse funds made available under sub-
13 section (a) not later than 30 days after the date on which
14 notification to the eligible local educational agencies is
15 provided pursuant to subsection (b).

16 (d) DEFINITIONS.—In this section:

17 (1) The term “educational agencies assistance”
18 means assistance authorized under section 386(b) of
19 the National Defense Authorization Act for Fiscal
20 Year 1993 (Public Law 102–484; 20 U.S.C. 7703
21 note).

22 (2) The term “local educational agency” has
23 the meaning given that term in section 8013(9) of
24 the Elementary and Secondary Education Act of
25 1965 (20 U.S.C. 7713(9)).

1 **SEC. 564. PERMANENT AUTHORITY FOR SUPPORT FOR CER-**
2 **TAIN CHAPLAIN-LED MILITARY FAMILY SUP-**
3 **PORT PROGRAMS.**

4 (a) IN GENERAL.—(1) Chapter 88 of title 10, United
5 States Code, is amended by inserting at the end of sub-
6 chapter I the following new section:

7 **“§ 1789. Chaplain-led programs: authorized support**

8 “(a) AUTHORITY.—The Secretary of a military de-
9 partment may provide support services described in sub-
10 section (b) to support chaplain-led programs to assist
11 members of the armed forces on active duty and their im-
12 mediate family members, and members of reserve compo-
13 nents in an active status and their immediate family mem-
14 bers, in building and maintaining a strong family struc-
15 ture.

16 “(b) AUTHORIZED SUPPORT SERVICES.—The sup-
17 port services referred to in subsection (a) are costs of
18 transportation, food, lodging, child care, supplies, fees,
19 and training materials for members of the armed forces
20 and their family members while participating in programs
21 referred to in that subsection, including participation at
22 retreats and conferences.

23 “(c) IMMEDIATE FAMILY MEMBERS.—In this section,
24 the term ‘immediate family members’, with respect to a
25 member of the armed forces, means—

26 “(1) the member’s spouse; and

1 “(2) any child (as defined in section 1072(6) of
2 this title) of the member who is described in sub-
3 paragraph (D) of section 1072(2) of this title.”.

4 (2) The table of sections at the beginning of such sub-
5 chapter is amended by inserting after the item relating
6 to section 1788 the following new item:

 “1789. Chaplain-led programs: authorized support.”.

7 (b) EFFECTIVE DATE.—Section 1789 of title 10,
8 United States Code, as added by subsection (a), shall take
9 effect on October 1, 2003.

10 **SEC. 565. DEPARTMENT OF DEFENSE-DEPARTMENT OF**
11 **VETERANS AFFAIRS JOINT EXECUTIVE COM-**
12 **MITTEE.**

13 (a) ESTABLISHMENT OF JOINT COMMITTEE.—(1)
14 Chapter 3 of title 38, United States Code, is amended by
15 adding at the end the following new section:

16 **“§ 320. Department of Veterans Affairs-Department of**
17 **Defense Joint Executive Committee**

18 “(a) JOINT EXECUTIVE COMMITTEE.—(1) There is
19 established an interagency committee to be known as the
20 Department of Veterans Affairs-Department of Defense
21 Joint Executive Committee (hereinafter in this section re-
22 ferred to as the ‘Committee’).

23 “(2) The Committee is composed of—

24 “(A) the Deputy Secretary of Veterans Affairs
25 and such other officers and employees of the Depart-

1 ment of Veterans Affairs as the Secretary of Vet-
2 erans Affairs may designate; and

3 “(B) the Under Secretary of Defense for Per-
4 sonnel and Readiness and such other officers and
5 employees of the Department of Defense as the Sec-
6 retary of Defense may designate.

7 “(b) ADMINISTRATIVE MATTERS.—(1) The Deputy
8 Secretary of Veterans Affairs and the Under Secretary of
9 Defense shall determine the size and structure of the Com-
10 mittee, as well as the administrative and procedural guide-
11 lines for the operation of the Committee.

12 “(2) The two Departments shall supply appropriate
13 staff and resources to provide administrative support and
14 services. Support for such purposes shall be provided at
15 a level sufficient for the efficient operation of the Com-
16 mittee, including a subordinate Health Executive Com-
17 mittee, a subordinate Benefits Executive Committee, and
18 such other committees or working groups as considered
19 necessary by the Deputy Secretary and Under Secretary.

20 “(c) RECOMMENDATIONS.—(1) The Committee shall
21 recommend to the Secretaries strategic direction for the
22 joint coordination and sharing efforts between and within
23 the two Departments under section 8111 of this title and
24 shall oversee implementation of those efforts.

1 “(2) The Committee shall submit to the two Secre-
2 taries and to Congress an annual report containing such
3 recommendations as the Committee considers appropriate.

4 “(d) FUNCTIONS.—In order to enable the Committee
5 to make recommendations in its annual report under sub-
6 section (c)(2), the Committee shall do the following:

7 “(1) Review existing policies, procedures, and
8 practices relating to the coordination and sharing of
9 resources between the two Departments.

10 “(2) Identify changes in policies, procedures,
11 and practices that, in the judgment of the Com-
12 mittee, would promote mutually beneficial coordina-
13 tion, use, or exchange of use of services and re-
14 sources of the two Departments, with the goal of im-
15 proving the quality, efficiency and effectiveness of
16 the delivery of benefits and services to veterans,
17 service members, military retirees and their families
18 through an enhanced Department of Veterans Af-
19 fairs and Department of Defense partnership.

20 “(3) Identify and assess further opportunities
21 for the coordination and collaboration between the
22 Departments that, in the judgment of the Com-
23 mittee, would not adversely affect the range of serv-
24 ices, the quality of care, or the established priorities
25 for benefits provided by either Department.

1 “(4) Review the plans of both Departments for
 2 the acquisition of additional resources, especially
 3 new facilities and major equipment and technology,
 4 in order to assess the potential effect of such plans
 5 on further opportunities for the coordination and
 6 sharing of resources.

7 “(5) Review the implementation of activities de-
 8 signed to promote the coordination and sharing of
 9 resources between the Departments.”.

10 (2) The table of sections at the beginning of such
 11 chapter is amended by adding at the end the following
 12 new item:

“320. Department of Veterans Affairs-Department of Defense Joint Executive
 Committee.”.

13 (b) CONFORMING AMENDMENTS.—(1) Subsection (c)
 14 of section 8111 of such title is repealed.

15 (2) Such section is further amended—

16 (A) in subsection (b)(2), by striking “subsection
 17 (c)” and inserting “section 320 of this title”;

18 (B) in subsection (d)(1), by striking “Com-
 19 mittee established in subsection (c)” and inserting
 20 “Department of Veterans Affairs-Department of De-
 21 fense Joint Executive Committee”;

22 (C) in subsection (e)(1), by striking “Com-
 23 mittee under subsection (c)(2)” and inserting “De-
 24 partment of Veterans Affairs-Department of Defense

1 Joint Executive Committee with respect to health
2 care resources”; and

3 (D) in subsection (f)(2), by striking subpara-
4 graphs (B) and (C) and inserting the following:

5 “(B) The assessment of further opportunities
6 identified by the Department of Veterans Affairs-
7 Department of Defense Joint Executive Committee
8 under subsection (d)(3) of section 320 of this title
9 for the sharing of health-care resources between the
10 two Departments.

11 “(C) Any recommendation made by that com-
12 mittee under subsection (c)(2) of that section during
13 that fiscal year.”.

14 (c) TECHNICAL AMENDMENTS.—Subsection (f) of
15 such section is further amended by inserting “(Public Law
16 107–314)” in paragraphs (3), (4)(A), (4)(B), and (5)
17 after “for Fiscal Year 2003”.

18 (d) EFFECTIVE DATE.—(1) If this Act is enacted be-
19 fore October 1, 2003—

20 (A) section 320 of title 38, United States Code,
21 as added by subsection (a), shall take effect on Octo-
22 ber 1, 2003; and

23 (B) the amendments made by subsections (b)
24 and (c) shall take effect on October 1, 2003, imme-
25 diately after the amendment made by section

1 721(a)(1) of the Bob Stump National Defense Au-
2 thorization Act for Fiscal Year 2003 (Public Law
3 107–314; 116 2589).

4 (2) If this Act is enacted on or after October 1, 2003,
5 the amendments made by this section shall take effect on
6 the date of the enactment of this Act.

7 **SEC. 566. LIMITATION ON AVIATION FORCE STRUCTURE**
8 **CHANGES IN THE DEPARTMENT OF THE**
9 **NAVY.**

10 (a) **LIMITATION.**—The Secretary of the Navy shall
11 ensure that no reductions are made in the active and re-
12 serve force structure of the Navy and Marine Corps for
13 fixed- and rotary-wing aircraft until 90 days have elapsed
14 after the date as of which both of the reports required
15 by subsections (b) and (c) have been received by the com-
16 mittees named in those subsections.

17 (b) **NAVAL AVIATION FORCE STRUCTURE PLAN.**—
18 The Secretary of the Navy shall submit to the Committee
19 on Armed Services of the Senate and the Committee on
20 Armed Services of the House of Representatives a detailed
21 report on the changes to the active and reserve aviation
22 force structure in the Department of the Navy that are
23 proposed for fiscal years 2004 through 2009. The report
24 shall include the following:

1 (1) The numbers of aircraft and helicopter
2 force structure planned for retirement.

3 (2) The amounts of planned budget authority to
4 be saved, shown by year and by appropriation, com-
5 pared to the May 1, 2003, force structure.

6 (3) An assessment by the Chief of Naval Oper-
7 ations comparing the future force structure plan
8 with capabilities of the Department of the Navy's
9 aviation force structure on May 1, 2003.

10 (4) A risk assessment of the planned force
11 structure to carry out the National Security Strat-
12 egy of the United States, dated September 2002.

13 (5) A risk assessment of the planned force
14 based on the assumptions applied in the September
15 30, 2001, Quadrennial Defense Review Report.

16 (c) ACTIVE AND RESERVE COMPONENT INTEGRA-
17 TION PLAN.—The Secretary of the Navy shall submit to
18 the Committee on Armed Services of the Senate and the
19 Committee on Armed Services of the House of Represent-
20 atives a concept of operations for increasing the integra-
21 tion and use of Naval Reserve surface, aviation, and other
22 units and personnel with active component forces in car-
23 rying out operational missions across the peacetime and
24 wartime spectrum of naval operations during the period
25 of 2004 through 2009.

1 **SEC. 567. IMPACT AID ELIGIBILITY FOR HEAVILY IM-**
2 **PACTED LOCAL EDUCATIONAL AGENCIES AF-**
3 **FECTED BY PRIVITIZATION OF MILITARY**
4 **HOUSING.**

5 Section 8003(b)(2)(H) of the Elementary and Sec-
6 ondary Education Act of 1965 (20 U.S.C. 7703(b)(2)(H))
7 is amended by striking clauses (i) and (ii) and inserting
8 the following:

9 “(i) ELIGIBILITY.—For any fiscal
10 year beginning with fiscal 2003, a heavily
11 impacted local educational agency that re-
12 ceived a basic support payment under
13 paragraph (b)(2) for the prior fiscal year,
14 but is ineligible for such payment for the
15 current fiscal year under subparagraph
16 (B), (C), (D), or (E), as the case may be,
17 by reason of the conversion of military
18 housing units to private housing described
19 in clause (iii), shall be deemed to meet the
20 eligibility requirements under subpara-
21 graph (B) or (C), as the case may be for
22 the period during which the housing units
23 are undergoing such conversion.

24 “(ii) AMOUNT OF PAYMENT.—The
25 amount of a payment to a heavily impacted
26 local educational agency for a fiscal year

1 by reason of the application of clause (i),
2 and calculated in accordance with subpara-
3 graph (D) or (E), as the case may be, shall
4 be based on the number of children in av-
5 erage daily attendance in the schools of
6 such agency for the fiscal year and under
7 the same provisions of subparagraph (D)
8 or (E) under which the agency was paid
9 during the prior fiscal year.”.

10 **SEC. 568. INVESTIGATION INTO THE 1991 DEATH OF MA-**
11 **RINE CORPS COLONEL JAMES E. SABOW.**

12 (a) INVESTIGATION REQUIRED.—Not later than 60
13 days after the date of the enactment of this Act, the Sec-
14 retary of Defense shall commence a new investigation into
15 the death of Colonel James S. Sabow, United States Ma-
16 rine Corps, who died on January 22, 1991, at the Marine
17 Corps Air Station, El Toro, California.

18 (b) FOCUS OF INVESTIGATION.—The principal focus
19 of the investigation under subsection (a) shall be to deter-
20 mine the cause of Colonel Sabow’s death, given the med-
21 ical and forensic factors associated with that death.

22 (c) REVIEW BY OUTSIDE EXPERTS.—The Secretary
23 of Defense shall provide that the evidence concerning the
24 cause of Colonel Sabow’s death and the medical and foren-
25 sic factors associated with his death shall be reviewed by

1 medical and forensic experts outside the Department of
2 Defense.

3 (d) REPORT.—Not later than six months after the
4 date of the enactment of this Act, the Secretary of Defense
5 shall submit to the Committee on Armed Services of the
6 Senate and the Committee on Armed Services of the
7 House of Representatives a written report on the findings
8 of the investigation under subsection (a). The Secretary
9 shall include in the report (1) the Secretary’s conclusions
10 as a result of the investigation, including the Secretary’s
11 conclusions regarding the cause of death of Colonel
12 Sabow, and (2) the conclusions of the experts reviewing
13 the matter under subsection (c).

14 **Subtitle H—Domestic Violence**

15 **SEC. 571. TRAVEL AND TRANSPORTATION FOR DEPEND-** 16 **ENTS RELOCATING FOR REASONS OF PER-** 17 **SONAL SAFETY.**

18 Section 406(h) of title 37, United States Code, is
19 amended by adding at the end the following new para-
20 graph:

21 “(4)(A) The Secretary concerned shall provide to the
22 dependents of a member the travel and transportation al-
23 lowances described in paragraphs (1) and (3) in a case
24 in which—

1 “(i) a commander has substantiated that the
2 member has committed dependent abuse, as defined
3 in section 1059(c) of title 10;

4 “(ii) a safety plan and counseling have been
5 provided;

6 “(iii) there has been a determination that the
7 victim’s safety is at stake and that relocation is the
8 best course of action; and

9 “(iv) the abused dependent, or parent of the
10 abused dependent if the abused dependent is a child,
11 requests relocation.

12 “(B) In the case of allowances paid under subpara-
13 graph (A), any monetary allowances shall accrue to the
14 dependents in lieu of the member and may be paid to the
15 dependents.

16 “(C) Shipment of the dependent’s baggage and
17 household effects, and of any motor vehicle, may not be
18 provided until there is a property division established by
19 written agreement with the member or by order of a court
20 of competent jurisdiction.”.

21 **SEC. 572. COMMENCEMENT AND DURATION OF PAYMENT**
22 **OF TRANSITIONAL COMPENSATION.**

23 (a) COMMENCEMENT.—Paragraph (1)(A) of section
24 1059(e) of title 10, United States Code, is amended by

1 striking “shall commence” and all that follows and insert-
2 ing “shall commence—

3 “(i) as of the date the court martial sen-
4 tence is adjudged if the sentence, as adjudged,
5 includes a dismissal, dishonorable discharge,
6 bad conduct discharge, or forfeiture of all pay
7 and allowances; or

8 “(ii) if there is a pretrial agreement that
9 includes disapproval or suspension of the dis-
10 missal, dishonorable discharge, bad conduct dis-
11 charge, or forfeiture of all pay and allowances,
12 as of the date of the approval of the court-mar-
13 tial sentence by the person acting under section
14 860(c) of this title (article 60(c) of the Uniform
15 Code of Military Justice) if the sentence, as ap-
16 proved, includes an unsuspended dismissal, dis-
17 honorable discharge, bad conduct discharge, or
18 forfeiture of all pay and allowances;”.

19 (b) DURATION.—Paragraph (2) of such section is
20 amended by striking “, except that” and all that follows
21 through “12 months”.

22 (c) TERMINATION.—Paragraph (3)(A) of such sec-
23 tion is amended by striking “punishment applicable to the
24 member under the sentence is remitted, set aside, or miti-
25 gated” and inserting “conviction is disapproved by the

1 person acting under section 860(c) of this title (article
2 60(c) of the Uniform Code of Military Justice) or set
3 aside, or each such punishment applicable to the member
4 under the sentence is disapproved by the person acting
5 under section 860(c) of this title, remitted, set aside, sus-
6 pended, or mitigated”.

7 **SEC. 573. FLEXIBILITY IN ELIGIBILITY FOR TRANSITIONAL**
8 **COMPENSATION.**

9 (a) **AUTHORITY.**—Section 1059 of title 10, United
10 States Code, is amended by adding at the end the fol-
11 lowing new subsection:

12 “(m) **ADDITIONAL ELIGIBILITY.**—The Secretary con-
13 cerned, under regulations prescribed under subsection (k),
14 may authorize eligibility for benefits under this section to
15 dependents of a member or former member of the armed
16 forces not covered by subsection (b) if the Secretary con-
17 cerned determines that there are extenuating cir-
18 cumstances such that granting benefits under this section
19 is consistent with the intent of this section.”.

20 (b) **EFFECTIVE DATE.**—The authority under sub-
21 section (m) of section 1059 of title 10, United States
22 Code, as added by subsection (a), may only be exercised
23 with respect to eligibility for benefits under such section
24 by reason of conduct on or after the date of the enactment
25 of this Act.

1 **SEC. 574. TYPES OF ADMINISTRATIVE SEPARATIONS TRIG-**
2 **GERING COVERAGE.**

3 Section 1059(b)(2) of title 10, United States Code,
4 is amended by inserting “, voluntarily or involuntarily,”
5 after “administratively separated”.

6 **SEC. 575. ON-GOING REVIEW GROUP.**

7 Not later than two years after the date of the enact-
8 ment of this Act, the Secretary of Defense shall convene
9 a working group of not less than 12 members, composed
10 in the same manner as the Defense Task Force on Domes-
11 tic Violence established pursuant to section 591 of the Na-
12 tional Defense Authorization Act for Fiscal Year 2000
13 (Public Law 106–65). The purpose of the working group
14 shall be to review and assess the progress of the Depart-
15 ment of Defense in implementation of the recommenda-
16 tions of the Defense Task Force on Domestic Violence.
17 In reviewing the status of the Department’s efforts, the
18 group should specifically focus on the Department’s ef-
19 forts to ensure confidentiality for victims and account-
20 ability and education of commanding officers and chap-
21 lains.

22 **SEC. 576. RESOURCES FOR DEPARTMENT OF DEFENSE IM-**
23 **PLEMENTATION ORGANIZATION.**

24 The Secretary of Defense shall ensure that necessary
25 resources, including personnel, facilities, and other admin-
26 istrative support, are provided to the organization within

1 the Office of the Secretary of Defense with direct responsi-
2 bility for oversight of implementation by the military de-
3 partments of recommendations of the Task Force in order
4 for that organization to carry out its duties and respon-
5 sibilities.

6 **SEC. 577. FATALITY REVIEWS.**

7 (a) REVIEW OF FATALITIES.—The Secretary of De-
8 fense shall conduct a multidisciplinary, impartial review
9 (referred to as a “fatality review”) in the case of each
10 fatality known or suspected to have resulted from domestic
11 violence or child abuse against—

12 (1) a member of the Armed Forces;

13 (2) a current or former dependent of a member
14 of the Armed Forces; or

15 (3) a current or former intimate partner who
16 has a child in common or has shared a common
17 domicile with a member of the Armed Forces.

18 (b) MATTERS TO BE INCLUDED.—The report of a fa-
19 tality review under subsection (a) shall, at a minimum,
20 include the following:

21 (1) An executive summary.

22 (2) Data setting forth victim demographics, in-
23 juries, autopsy findings, homicide or suicide meth-
24 ods, weapons, police information, assailant demo-
25 graphics, and household and family information.

1 (3) Legal disposition.

2 (4) System intervention and failures within the
3 Department of Defense.

4 (5) A discussion of significant findings.

5 (6) Recommendations for systemic changes
6 within the Department of Defense.

7 **SEC. 578. SENSE OF CONGRESS.**

8 It is the sense of Congress that—

9 (1) the Secretary of Defense should adopt the
10 strategic plan proposed by the Defense Task Force
11 on Domestic Violence in its Third Year Report, as
12 required by section 591(a) of the Department of De-
13 fense Authorization Act for Fiscal Year 2000 (Pub-
14 lic Law 106–65); and

15 (2) the Secretary of each military department
16 should establish and support a Victim Advocate Pro-
17 tocol and provide for nondisclosure to ensure con-
18 fidentiality for victims who come forward to receive
19 advocacy, support, information, and resources, as
20 recommended by the Defense Task Force on Domes-
21 tic Violence.

1 **TITLE VI—COMPENSATION AND**
2 **OTHER PERSONNEL BENEFITS**
3 **Subtitle A—Pay and Allowances**

4 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2004.**

5 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—The
6 adjustment to become effective during fiscal year 2004 re-
7 quired by section 1009 of title 37, United States Code,
8 in the rates of monthly basic pay authorized members of
9 the uniformed services shall not be made.

10 (b) INCREASE IN BASIC PAY FOR MEMBERS OF
11 ARMED FORCES.—Effective on January 1, 2004, the rates
12 of monthly basic pay for members of the Armed Forces
13 within each pay grade are as follows:

COMMISSIONED OFFICERS ¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	7,751.10	8,004.90	8,173.20	8,220.60	8,430.30
O-7 ...	6,440.70	6,739.80	6,878.40	6,988.50	7,187.40
O-6 ...	4,773.60	5,244.30	5,588.40	5,588.40	5,609.70
O-5 ...	3,979.50	4,482.90	4,793.40	4,851.60	5,044.80
O-4 ...	3,433.50	3,974.70	4,239.90	4,299.00	4,545.30
O-3 ³	3,018.90	3,422.40	3,693.90	4,027.20	4,220.10
O-2 ³	2,595.60	2,956.50	3,405.00	3,519.90	3,592.50
O-1 ³	2,253.60	2,345.10	2,834.70	2,834.70	2,834.70
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	8,781.90	8,863.50	9,197.10	9,292.80	9,579.90
O-7 ...	7,384.20	7,611.90	7,839.00	8,066.70	8,781.90
O-6 ...	5,850.00	5,882.10	5,882.10	6,216.30	6,807.30
O-5 ...	5,161.20	5,415.90	5,602.80	5,844.00	6,213.60
O-4 ...	4,809.30	5,137.80	5,394.00	5,571.60	5,673.60
O-3 ³	4,431.60	4,568.70	4,794.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	\$0.00	\$12,524.70	\$12,586.20	\$12,847.80	\$13,303.80
O-9 ...	0.00	10,954.50	11,112.30	11,340.30	11,738.40
O-8 ...	9,995.70	10,379.10	10,635.30	10,635.30	10,635.30
O-7 ...	9,386.10	9,386.10	9,386.10	9,386.10	9,433.50
O-6 ...	7,154.10	7,500.90	7,698.30	7,897.80	8,285.40
O-5 ...	6,389.70	6,563.40	6,760.80	6,760.80	6,760.80
O-4 ...	5,733.00	5,733.00	5,733.00	5,733.00	5,733.00
O-3 ³	4,911.30	4,911.30	4,911.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

²Subject to the preceding footnote, the rate of basic pay for an officer in this grade while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, is \$14,679.30, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

**COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE
AS AN ENLISTED MEMBER OR WARRANT OFFICER**

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-3E	\$0.00	\$0.00	\$0.00	\$4,027.20	\$4,220.10
O-2E	0.00	0.00	0.00	3,537.00	3,609.90
O-1E	0.00	0.00	0.00	2,848.50	3,042.30
	Over 8	Over 10	Over 12	Over 14	Over 16
O-3E	\$4,431.60	\$4,568.70	\$4,794.30	\$4,984.20	\$5,092.80
O-2E	3,724.80	3,918.60	4,068.60	4,180.20	4,180.20
O-1E	3,154.50	3,269.40	3,382.20	3,537.00	3,537.00
	Over 18	Over 20	Over 22	Over 24	Over 26
O-3E	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30
O-2E	4,180.20	4,180.20	4,180.20	4,180.20	4,180.20
O-1E	3,537.00	3,537.00	3,537.00	3,537.00	3,537.00

WARRANT OFFICERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,119.40	3,355.80	3,452.40	3,547.20	3,710.40
W-3 ..	2,848.80	2,967.90	3,089.40	3,129.30	3,257.10
W-2 ..	2,505.90	2,649.00	2,774.10	2,865.30	2,943.30
W-1 ..	2,212.80	2,394.00	2,515.20	2,593.50	2,802.30
	Over 8	Over 10	Over 12	Over 14	Over 16
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,871.50	4,035.00	4,194.30	4,359.00	4,617.30
W-3 ..	3,403.20	3,595.80	3,786.30	3,988.80	4,140.60
W-2 ..	3,157.80	3,321.60	3,443.40	3,562.20	3,643.80
W-1 ..	2,928.30	3,039.90	3,164.70	3,247.20	3,321.90
	Over 18	Over 20	Over 22	Over 24	Over 26
W-5 ..	\$0.00	\$5,360.70	\$5,544.30	\$5,728.80	\$5,914.20
W-4 ..	4,782.60	4,944.30	5,112.00	5,277.00	5,445.90
W-3 ..	4,291.80	4,356.90	4,424.10	4,570.20	4,716.30
W-2 ..	3,712.50	3,843.00	3,972.60	4,103.70	4,103.70
W-1 ..	3,443.70	3,535.80	3,535.80	3,535.80	3,535.80

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-9 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8 ...	0.00	0.00	0.00	0.00	0.00
E-7 ...	2,145.00	2,341.20	2,430.60	2,549.70	2,642.10
E-6 ...	1,855.50	2,041.20	2,131.20	2,218.80	2,310.00
E-5 ...	1,700.10	1,813.50	1,901.10	1,991.10	2,130.60
E-4 ...	1,558.20	1,638.30	1,726.80	1,814.10	1,891.50
E-3 ...	1,407.00	1,495.50	1,585.50	1,585.50	1,585.50
E-2 ...	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 ²	\$0.00	\$3,769.20	\$3,854.70	\$3,962.40	\$4,089.30
E-8 ...	3,085.50	3,222.00	3,306.30	3,407.70	3,517.50
E-7 ...	2,801.40	2,891.10	2,980.20	3,139.80	3,219.60
E-6 ...	2,516.10	2,596.20	2,685.30	2,763.30	2,790.90
E-5 ...	2,250.90	2,339.70	2,367.90	2,367.90	2,367.90
E-4 ...	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3 ...	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2 ...	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 ²	\$4,216.50	\$4,421.10	\$4,594.20	\$4,776.60	\$5,054.70
E-8 ...	3,715.50	3,815.70	3,986.40	4,081.20	4,314.30
E-7 ...	3,295.50	3,341.70	3,498.00	3,599.10	3,855.00
E-6 ...	2,809.80	2,809.80	2,809.80	2,809.80	2,809.80
E-5 ...	2,367.90	2,367.90	2,367.90	2,367.90	2,367.90
E-4 ...	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3 ...	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2 ...	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

² Subject to the preceding footnote, the rate of basic pay for an enlisted member in this grade while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, is \$6,090.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³ In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,086.00.

- 1 (c) INCREASE IN BASIC PAY FOR OTHER MEMBERS
- 2 OF UNIFORMED SERVICES.—Effective on January 1,
- 3 2004, the rates of monthly basic pay for members of the
- 4 National Oceanic and Atmospheric Administration and
- 5 the Public Health Service are increased by 2 percent.

1 (d) DEFINITIONS.—In this section, the terms “armed
2 forces” and “uniformed services” have the meanings given
3 such terms in section 101 of title 37, United States Code.

4 **SEC. 602. COMPUTATION OF BASIC PAY RATE FOR COMMIS-**
5 **SIGNED OFFICERS WITH PRIOR ENLISTED OR**
6 **WARRANT OFFICER SERVICE.**

7 Section 203(d)(2) of title 37, United States Code, is
8 amended—

9 (1) in subparagraph (A), by striking “enlisted
10 member,” and all that follows through the period
11 and inserting “enlisted member.”; and

12 (2) by striking subparagraph (B) and inserting
13 the following new subparagraph:

14 “(B) Service as a warrant officer, as an enlisted
15 member, or as a warrant officer and an enlisted
16 member, for which at least 1,460 points have been
17 credited to the officer for the purposes of section
18 12732(a)(2) of title 10.”.

19 **SEC. 603. SPECIAL SUBSISTENCE ALLOWANCE AUTHORI-**
20 **TIES FOR MEMBERS ASSIGNED TO HIGH-**
21 **COST DUTY LOCATION OR UNDER OTHER**
22 **UNIQUE AND UNUSUAL CIRCUMSTANCES.**

23 (a) IN GENERAL.—Section 402 of title 37, United
24 States Code, is amended—

1 (1) by redesignating subsections (f) and (g) as
2 subsections (g) and (h), respectively; and

3 (2) by inserting after subsection (e) the fol-
4 lowing new subsection:

5 “(f) SPECIAL RULE FOR HIGH-COST DUTY LOCA-
6 TIONS AND OTHER UNIQUE AND UNUSUAL CIR-
7 CUMSTANCES.—The Secretary of Defense may authorize
8 a member of the armed forces who is assigned to duty
9 in a high-cost duty location or under other unique and
10 unusual circumstances, but is not entitled to the meals
11 portion of the per diem in connection with that duty, to
12 receive any or all of the following:

13 “(1) Meals at no cost to the member, regardless
14 of the entitlement of the member to a basic allow-
15 ance for subsistence under subsection (a).

16 “(2) A basic allowance for subsistence at the
17 standard rate, regardless of the entitlement of the
18 member for all meals or select meals during the duty
19 day.

20 “(3) A supplemental subsistence allowance at a
21 rate higher than the basic allowance for subsistence
22 rates in effect under this section, regardless of the
23 entitlement of the member for all meals or select
24 meals during the duty day.”.

1 (b) RETROACTIVE AND PROSPECTIVE APPLICA-
 2 TION.—Subsection (f) of section 402 of title 37, United
 3 States Code, as added by subsection (a), shall apply with
 4 respect to members of the Armed Forces assigned to duty
 5 in a high-cost duty location or under other unique and
 6 unusual circumstances, as determined pursuant to regula-
 7 tions prescribed pursuant to subsection (c), after Sep-
 8 tember 11, 2001.

9 (c) REGULATIONS; TIME LIMITS.—Final regulations
 10 to carry out subsection (f) of section 402 of title 37,
 11 United States Code, as added by subsection (a), shall be
 12 prescribed not later than 180 days after the date of the
 13 enactment of this Act. The regulations shall provide a
 14 method by which a member of the Armed Forces covered
 15 by such subsection (f) may obtain reimbursement for sub-
 16 sistence expenses incurred by the member during the pe-
 17 riod beginning on September 11, 2001, and ending on the
 18 date the regulations take effect.

19 **Subtitle B—Bonuses and Special** 20 **and Incentive Pays**

21 **SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND** 22 **SPECIAL PAY AUTHORITIES FOR RESERVE** 23 **FORCES.**

24 (a) SELECTED RESERVE REENLISTMENT BONUS.—
 25 Section 308b(f) of title 37, United States Code, is amend-

1 ed by striking “December 31, 2003” and inserting “De-
2 cember 31, 2004”.

3 (b) SELECTED RESERVE ENLISTMENT BONUS.—Sec-
4 tion 308c(e) of such title is amended by striking “Decem-
5 ber 31, 2003” and inserting “December 31, 2004”.

6 (c) SPECIAL PAY FOR ENLISTED MEMBERS AS-
7 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section
8 308d(c) of such title is amended by striking “December
9 31, 2003” and inserting “December 31, 2004”.

10 (d) SELECTED RESERVE AFFILIATION BONUS.—Sec-
11 tion 308e(e) of such title is amended by striking “Decem-
12 ber 31, 2003” and inserting “December 31, 2004”.

13 (e) READY RESERVE ENLISTMENT AND REENLIST-
14 MENT BONUS.—Section 308h(g) of such title is amended
15 by striking “December 31, 2003” and inserting “Decem-
16 ber 31, 2004”.

17 (f) PRIOR SERVICE ENLISTMENT BONUS.—Section
18 308i(f) of such title is amended by striking “December
19 31, 2003” and inserting “December 31, 2004”.

20 **SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
21 **SPECIAL PAY AUTHORITIES FOR CERTAIN**
22 **HEALTH CARE PROFESSIONALS.**

23 (a) NURSE OFFICER CANDIDATE ACCESSION PRO-
24 GRAM.—Section 2130a(a)(1) of title 10, United States

1 Code, is amended by striking “December 31, 2003” and
2 inserting “December 31, 2004”.

3 (b) REPAYMENT OF EDUCATION LOANS FOR CER-
4 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-
5 LECTED RESERVE.—Section 16302(d) of such title is
6 amended by striking “January 1, 2004” and inserting
7 “January 1, 2005”.

8 (c) ACCESSION BONUS FOR REGISTERED NURSES.—
9 Section 302d(a)(1) of title 37, United States Code, is
10 amended by striking “December 31, 2003” and inserting
11 “December 31, 2004”.

12 (d) INCENTIVE SPECIAL PAY FOR NURSE ANES-
13 THETISTS.—Section 302e(a)(1) of such title is amended
14 by striking “December 31, 2003” and inserting “Decem-
15 ber 31, 2004”.

16 (e) SPECIAL PAY FOR SELECTED RESERVE HEALTH
17 PROFESSIONALS IN CRITICALLY SHORT WARTIME SPE-
18 CIALTIES.—Section 302g(f) of such title is amended by
19 striking “December 31, 2003” and inserting “December
20 31, 2004”.

21 (f) ACCESSION BONUS FOR DENTAL OFFICERS.—
22 Section 302h(a)(1) of such title is amended by striking
23 “December 31, 2003” and inserting “December 31,
24 2004”.

1 **SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND**
2 **BONUS AUTHORITIES FOR NUCLEAR OFFI-**
3 **CERS.**

4 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFI-
5 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section
6 312(e) of title 37, United States Code, is amended by
7 striking “December 31, 2003” and inserting “December
8 31, 2004”.

9 (b) NUCLEAR CAREER ACCESSION BONUS.—Section
10 312b(c) of such title is amended by striking “December
11 31, 2003” and inserting “December 31, 2004”.

12 (c) NUCLEAR CAREER ANNUAL INCENTIVE
13 BONUS.—Section 312c(d) of such title is amended by
14 striking “December 31, 2003” and inserting “December
15 31, 2004”.

16 **SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND**
17 **SPECIAL PAY AUTHORITIES.**

18 (a) AVIATION OFFICER RETENTION BONUS.—Sec-
19 tion 301b(a) of title 37, United States Code, is amended
20 by striking “December 31, 2003” and inserting “Decem-
21 ber 31, 2004”.

22 (b) REENLISTMENT BONUS FOR ACTIVE MEM-
23 BERS.—Section 308(g) of such title is amended by strik-
24 ing “December 31, 2003” and inserting “December 31,
25 2004”.

1 (c) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—
 2 Section 309(e) of such title is amended by striking “De-
 3 cember 31, 2003” and inserting “December 31, 2004”.

4 (d) RETENTION BONUS FOR MEMBERS WITH CRIT-
 5 ICAL MILITARY SKILLS.—Section 323(i) of such title is
 6 amended by striking “December 31, 2003” and inserting
 7 “December 31, 2004”.

8 (e) ACCESSION BONUS FOR NEW OFFICERS IN CRIT-
 9 ICAL SKILLS.—Section 324(g) of such title is amended by
 10 striking “December 31, 2003” and inserting “December
 11 31, 2004”.

12 **SEC. 615. COMPUTATION OF HAZARDOUS DUTY INCENTIVE**
 13 **PAY FOR DEMOLITION DUTY AND PARA-**
 14 **CHUTE JUMPING BY MEMBERS OF RESERVE**
 15 **COMPONENTS ENTITLED TO COMPENSATION**
 16 **UNDER SECTION 206 OF TITLE 37.**

17 (a) IN GENERAL.—Section 301(f) of title 37, United
 18 States Code, is amended by adding at the end the fol-
 19 lowing new paragraph:

20 “(3) Notwithstanding paragraphs (1) or (2), if a
 21 member described in paragraph (1) performs the duty de-
 22 scribed in clauses (3) or (4) of subsection (a) in any
 23 month, the member shall be entitled for that month to
 24 the full amount specified in the first sentence of subsection
 25 (c)(1), in the case of the duty described in clause (4) of

1 subsection (a) or parachute jumping involving the use of
2 a static line, or the full amount specified in the second
3 sentence of subsection (c)(1), in the case of parachute
4 jumping in military free fall operations.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall take effect October 1, 2003.

7 **SEC. 616. AVAILABILITY OF HOSTILE FIRE AND IMMINENT**
8 **DANGER PAY FOR RESERVE COMPONENT**
9 **MEMBERS ON INACTIVE DUTY.**

10 (a) EXPANSION AND CLARIFICATION OF CURRENT
11 LAW.—Section 310 of title 37, United States Code, is
12 amended—

13 (1) by redesignating subsections (b) and (c) as
14 subsections (c) and (d), respectively; and

15 (2) by striking subsection (a) and inserting the
16 following new subsections:

17 “(a) ELIGIBILITY AND SPECIAL PAY AMOUNT.—
18 Under regulations prescribed by the Secretary of Defense,
19 a member of a uniformed service may be paid special pay
20 at the rate of \$150 for any month in which—

21 “(1) the member was entitled to basic pay or
22 compensation under section 204 or 206 of this title;
23 and

24 “(2) the member—

1 “(A) was subject to hostile fire or explo-
2 sion of hostile mines;

3 “(B) was on duty in an area in which the
4 member was in imminent danger of being ex-
5 posed to hostile fire or explosion of hostile
6 mines and in which, during the period the mem-
7 ber was on duty in the area, other members of
8 the uniformed services were subject to hostile
9 fire or explosion of hostile mines;

10 “(C) was killed, injured, or wounded by
11 hostile fire, explosion of a hostile mine, or any
12 other hostile action; or

13 “(D) was on duty in a foreign area in
14 which the member was subject to the threat of
15 physical harm or imminent danger on the basis
16 of civil insurrection, civil war, terrorism, or
17 wartime conditions.

18 “(b) CONTINUATION DURING HOSPITALIZATION.—A
19 member covered by subsection (a)(2)(C) who is hospital-
20 ized for the treatment of the injury or wound may be paid
21 special pay under this section for not more than three ad-
22 ditional months during which the member is so hospital-
23 ized.”.

24 (b) CLERICAL AMENDMENTS.—Such section is fur-
25 ther amended—

1 (1) in subsection (c), as redesignated by sub-
 2 section (a)(1), by inserting “LIMITATIONS AND AD-
 3 MINISTRATION.—” before “(1)”; and

4 (2) in subsection (d), as redesignated by sub-
 5 section (a)(1), by inserting “DETERMINATIONS OF
 6 FACT.—” before “Any”.

7 **SEC. 617. EXPANSION OF OVERSEAS TOUR EXTENSION IN-**
 8 **CENTIVE PROGRAM TO OFFICERS.**

9 (a) SPECIAL PAY OR BONUS FOR EXTENDING OVER-
 10 SEAS TOUR OF DUTY.—(1) Subsections (a) and (b) of sec-
 11 tion 314 of title 37, United States Code, are amended by
 12 striking “an enlisted member” and inserting “a member”.

13 (2)(A) The heading of such section is amended to
 14 read as follows:

15 **“§ 314. Special pay or bonus: qualified members ex-**
 16 **tending duty at designated locations**
 17 **overseas”.**

18 (B) The item relating to such section in the table of
 19 sections at the beginning of chapter 5 of such title is
 20 amended to read as follows:

“314. Special pay or bonus: qualified members extending duty at designated lo-
 cations overseas.”.

21 (b) REST AND RECUPERATIVE ABSENCE IN LIEU OF
 22 PAY OR BONUS.—(1) Subsection (a) of section 705 of title
 23 10, United States Code, is amended by striking “an en-
 24 listed member” and inserting “a member”.

1 (2) The heading of such section, and the item relating
2 to such section in the table of sections at the beginning
3 of chapter 40 of such title, are each amended by striking
4 the sixth word.

5 **SEC. 618. ELIGIBILITY OF APPOINTED WARRANT OFFICERS**
6 **FOR ACCESSION BONUS FOR NEW OFFICERS**
7 **IN CRITICAL SKILLS.**

8 Section 324 of title 37, United States Code, is
9 amended in subsections (a) and (f)(1) by inserting “or an
10 appointment” after “commission”.

11 **SEC. 619. INCENTIVE PAY FOR DUTY ON GROUND IN ANT-**
12 **ARCTICA OR ON ARCTIC ICEPACK.**

13 (a) IN GENERAL.—(1) Chapter 5 of title 37, United
14 States Code, is amended by inserting after section 301e
15 the following new section:

16 **“§ 301f. Incentive pay: duty on ground in Antarctica**
17 **or on Arctic icepack**

18 “(a) AVAILABILITY OF INCENTIVE PAY.—A member
19 of the uniformed services who performs duty at a location
20 described in subsection (b) is entitled to special pay under
21 this section at a rate of \$5 for each day of that duty.

22 “(b) COVERED LOCATIONS.—Subsection (a) applies
23 with respect to duty performed on the ground in Antare-
24 tica or on the Arctic icepack.”.

1 (2) The table of sections at the beginning of such
 2 chapter is amended by inserting after the item relating
 3 to section 301e the following new item:

“301f. Incentive pay: duty on ground in Antarctica or on Arctic icepack.”.

4 (b) EFFECTIVE DATE.—Section 301f of title 37,
 5 United States Code, as added by subsection (a), shall take
 6 effect on October 1, 2003.

7 **SEC. 620. SPECIAL PAY FOR SERVICE AS MEMBER OF WEAP-**
 8 **ONS OF MASS DESTRUCTION CIVIL SUPPORT**
 9 **TEAM.**

10 (a) IN GENERAL.—(1) Chapter 5 of title 37, United
 11 States Code, is amended by inserting after section 305a
 12 the following new section:

13 **“§ 305b. Special pay: service as member of Weapons**
 14 **of Mass Destruction Civil Support Team**

15 “(a) AVAILABILITY OF SPECIAL PAY.—The Secretary
 16 of a military department may pay special pay under this
 17 section to a member of the armed forces under the juris-
 18 diction of that Secretary who is entitled to basic pay under
 19 section 204 and is assigned by orders to duty as a member
 20 of a Weapons of Mass Destruction Civil Support Team.

21 “(b) MONTHLY RATE.—Special pay payable under
 22 subsection (a) shall be paid at a rate equal to \$150 a
 23 month.

24 “(c) ELIGIBILITY OF RESERVE COMPONENT MEM-
 25 BERS WHEN PERFORMING INACTIVE DUTY TRAINING.—

1 Under regulations prescribed by the Secretary concerned
 2 and to the extent provided for in appropriation Acts, when
 3 a member of a reserve component of the armed forces who
 4 is entitled to compensation under section 206 of this title
 5 performs duty under orders as a member of a Weapons
 6 of Mass Destruction Civil Support Team, the member may
 7 be paid an increase in compensation equal to $\frac{1}{30}$ of the
 8 monthly special pay specified in subsection (b) for each
 9 day on which the member performs such duty.

10 “(d) DEFINITION.—In this section, the term ‘Weap-
 11 ons of Mass Destruction Civil Support Team’ means a
 12 team of members of the reserve components of the armed
 13 forces that is established under section 12310(c) of title
 14 10 in support of emergency preparedness programs to pre-
 15 pare for or to respond to any emergency involving the use
 16 of a weapon of mass destruction.”.

17 (2) The table of sections at the beginning of such
 18 chapter is amended by inserting after the item relating
 19 to section 305a the following new item:

“305b. Special pay: service as member of Weapons of Mass Destruction Civil
 Support Team.”.

20 (b) EFFECTIVE DATE.—Section 305b of title 37,
 21 United States Code, as added by subsection (a), shall take
 22 effect on October 1, 2003.

1 **SEC. 621. INCENTIVE BONUS FOR AGREEMENT TO SERVE IN**
2 **CRITICALLY SHORT MILITARY OCCUPA-**
3 **TIONAL SPECIALTY.**

4 (a) IN GENERAL.—Chapter 5 of title 37, United
5 States Code, is amended by adding at the end the fol-
6 lowing new section:

7 **“§ 326. Incentive bonus: lateral conversion bonus for**
8 **service in critically short military occu-**
9 **pational specialty**

10 “(a) INCENTIVE BONUS AUTHORIZED.—The Sec-
11 retary concerned may pay a bonus under this section to
12 a member of the armed forces who executes a written
13 agreement to convert to, and serve for a period of not less
14 than two years in, a critically short military occupational
15 specialty.

16 “(b) ELIGIBLE MEMBERS.—A bonus may only be
17 paid under this section only to a member who—

18 “(1) is entitled to basic pay; and

19 “(2) is serving in pay grade E–6 (with less than
20 10 years of service computed under section 205 of
21 this title) or pay grade E–5 or below (regardless of
22 years of service) at the time the agreement under
23 subsection (a) is executed.

24 “(c) AMOUNT AND PAYMENT OF BONUS.—(1) A
25 bonus under this section may not exceed \$4,000.

1 “(2) A bonus payable under this section shall be dis-
2 bursed in one lump sum payment when the member’s con-
3 version to the critically short military occupational spe-
4 cialty is approved by the personnel chief of the member’s
5 armed force.

6 “(d) RELATIONSHIP TO OTHER PAY AND ALLOW-
7 ANCES.—A bonus paid to a member under this section is
8 in addition to any other pay and allowances to which the
9 member is entitled.

10 “(e) REPAYMENT OF BONUS.—(1) A member who re-
11 ceives a bonus under this section and who, voluntarily or
12 because of misconduct, fails to serve in the critically short
13 military occupational specialty for the period specified in
14 the agreement shall refund to the United States an
15 amount that bears the same ratio to the bonus amount
16 paid to the member as the unserved part of such period
17 bears to the total period agreed to be served.

18 “(2) An obligation to reimburse the United States
19 imposed under paragraph (1) is, for all purposes, a debt
20 owed to the United States.

21 “(3) A discharge in bankruptcy under title 11 that
22 is entered less than five years after the termination of the
23 agreement for which a bonus was paid under this section
24 shall not discharge the person signing such agreement
25 from the debt arising under paragraph (1).

1 “(4) Under regulations prescribed pursuant to sub-
 2 section (f), the Secretary concerned may waive, in whole
 3 in part, a refund required under paragraph (1) if the Sec-
 4 retary determines that recovery would be against equity
 5 and good conscience or would be contrary to the best inter-
 6 ests of the United States.

7 “(f) REGULATIONS.—The Secretaries concerned shall
 8 prescribe regulations to carry out this section. Regulations
 9 prescribed by the Secretary of a military department shall
 10 be subject to the approval of the Secretary of Defense.

11 “(g) DEFINITION.—In this section, the term ‘criti-
 12 cally short military occupational specialty’ means a mili-
 13 tary occupational specialty, military rating, or other mili-
 14 tary speciality designated by the Secretary concerned as
 15 undermanned for purposes of this section.

16 “(h) TERMINATION OF AUTHORITY.—No agreement
 17 under this section may be entered into after December 31,
 18 2004.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
 20 at the beginning of such chapter is amended by adding
 21 at the end the following new item:

“326. Incentive bonus: lateral conversion bonus for service in critically short
 military occupational speciality.”.

1 **SEC. 622. INCREASE IN RATE FOR IMMINENT DANGER PAY**
2 **AND FAMILY SEPARATION ALLOWANCE RE-**
3 **LATED TO SERVICE IN OPERATION IRAQI**
4 **FREEDOM OR OPERATION ENDURING FREE-**
5 **DOM.**

6 (a) SPECIAL PAYMENT RATES.—Effective October 1,
7 2003, in the case of a member of the uniformed services
8 who serves, for any period of time during a month, in a
9 combat zone designated for Operation Iraqi Freedom or
10 Operation Enduring Freedom, the monthly rate for immi-
11 nent danger pay under section 310 of title 37, United
12 States Code, shall be deemed to be \$225 and the monthly
13 rate for the family separation allowance under section 427
14 of such title shall be deemed to be \$250.

15 (b) DURATION.—The special rates for imminent dan-
16 ger pay and the family separation allowance in effect
17 under subsection (a) for an operation referred to in such
18 subsection expire on the date the President terminates the
19 operation.

20 **SEC. 623. AVAILABILITY OF HOSTILE FIRE AND IMMINENT**
21 **DANGER PAY FOR RESERVE COMPONENT**
22 **MEMBERS SERVING IN RESPONSE TO CER-**
23 **TAIN DOMESTIC TERRORIST ATTACKS.**

24 (a) AVAILABILITY OF SPECIAL PAY.—Subsection
25 (a)(2) of section 310 of title 37, United States Code, as
26 amended by section 616 of this Act, is amended—

1 (1) by striking “or” at the end of subparagraph
2 (C);

3 (2) by redesignating subparagraph (D) as sub-
4 paragraph (E); and

5 (3) by inserting after subparagraph (C) the fol-
6 lowing new subparagraph (D):

7 “(D) was on duty as a first responder, or as a
8 member assigned to accompany or protect first re-
9 sponders, to a terrorist attack on the United States
10 regarding which there is an immediate threat of
11 physical harm or imminent danger as a result of di-
12 rect or residual effects of the attack or potential sec-
13 ondary attacks; or”.

14 (b) FIRST RESPONDER DEFINED.—Such section is
15 further amended by adding at the end the following new
16 subsection:

17 “(e) FIRST RESPONDER DEFINED.—In this section,
18 the term ‘first responder’ means a member of the uni-
19 formed services who, as part of the member’s assigned du-
20 ties, is expected to arrive at the site of a terrorist attack
21 within 12 hours after the attack.”.

**Subtitle C—Travel and
Transportation Allowances**

**SEC. 631. SHIPMENT OF PRIVATELY OWNED MOTOR VEHICLE
WITHIN CONTINENTAL UNITED STATES.**

(a) AUTHORITY TO PROCURE CONTRACT FOR TRANSPORTATION OF MOTOR VEHICLE.—Section 2634 of title 10, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

“(h) In the case of a change of permanent station described in subparagraph (A) or (B) of subsection (i)(1), the Secretary concerned may authorize the member to arrange for the shipment of the motor vehicle in lieu of transportation at the expense of the United States under this section. The Secretary concerned may pay the member a monetary allowance in lieu of transportation, as established under section 404(d)(1) of title 37, and the member shall be responsible for any transportation costs in excess of such allowance.”.

(b) ALLOWANCE FOR SELF-PROCUREMENT OF TRANSPORTATION OF MOTOR VEHICLE.—Section 406(b)(1)(B) of title 37, United States Code, is amended by adding at the end the following new sentence: “In the

1 case of the transportation of a motor vehicle arranged by
 2 the member under section 2634(h) of title 10, the Sec-
 3 retary concerned may pay the member, upon proof of ship-
 4 ment, a monetary allowance in lieu of transportation, as
 5 established under section 404(d)(1) of this title.”.

6 **SEC. 632. PAYMENT OR REIMBURSEMENT OF STUDENT**
 7 **BAGGAGE STORAGE COSTS FOR DEPENDENT**
 8 **CHILDREN OF MEMBERS STATIONED OVER-**
 9 **SEAS.**

10 Section 430(b)(2) of title 37, United States Code, is
 11 amended in the first sentence by inserting before the pe-
 12 riod at the end the following: “or during a different period
 13 in the same fiscal year selected by the member”.

14 **SEC. 633. REIMBURSEMENT FOR LODGING EXPENSES OF**
 15 **CERTAIN RESERVE COMPONENT AND RE-**
 16 **TIRED MEMBERS DURING AUTHORIZED**
 17 **LEAVE FROM TEMPORARY DUTY LOCATION.**

18 (a) REIMBURSEMENT AUTHORIZED.—The Secretary
 19 concerned (as defined in section 101 of title 37, United
 20 States Code) may reimburse a member of the Armed
 21 Forces described in subsection (b) for lodging expenses in-
 22 curred by the member at the member’s duty location while
 23 the member is in an authorized leave status.

24 (b) COVERED MEMBERS.—Subsection (a) applies
 25 with respect to a member of a reserve component who is

1 called or ordered to active duty for a period of more than
2 30 days, or a retired member who is ordered to active duty
3 under section 688(a) of title 10, United States Code, if
4 the member—

5 (1) immediately before taking authorized leave
6 was performing duty at a location away from the
7 member's home;

8 (2) was receiving a per diem allowance under
9 section 404(a)(4) of title 37, United States Code, to
10 cover lodging and subsistence expenses incurred at
11 the duty location because quarters of the United
12 States were not available for assignment to the
13 member at that location; and

14 (3) immediately after completing the authorized
15 leave, returned to the duty location.

16 (c) AMOUNT OF REIMBURSEMENT.—The amount of
17 the reimbursement provided to a member under subsection
18 (a) may not exceed the lesser of—

19 (1) the actual daily cost of lodging incurred by
20 the member at the duty location while the member
21 was in an authorized leave status; and

22 (2) the lodging portion of the applicable daily
23 per diem rate for that duty location.

24 (d) RETROACTIVE APPLICATION.—This section ap-
25 plies with respect to members of the reserve components

1 described in subsection (b) who, since September 11,
 2 2001, were or are called or ordered to active duty for a
 3 period of more than 30 days and retired members de-
 4 scribed in such subsection who, since that date, were or
 5 are ordered to active duty under section 688(a) of title
 6 10, United States Code.

7 **Subtitle D—Retired Pay and** 8 **Survivors Benefits**

9 **SEC. 641. FUNDING FOR SPECIAL COMPENSATION AU-** 10 **THORITIES FOR DEPARTMENT OF DEFENSE** 11 **RETIREES.**

12 (a) SOURCE OF PAYMENTS.—

13 (1) Section 1413(g) of title 10, United States
 14 Code, is amended—

15 (A) by inserting before “Payments under”
 16 the following new sentence: “Payments under
 17 this section for a member of the Army, Navy,
 18 Air Force, or Marine Corps shall be paid from
 19 the Department of Defense Military Retirement
 20 Fund.”; and

21 (B) by inserting “for any other member”
 22 before “for any fiscal year”.

23 (2) Section 1413a(h) of such title is amended—

24 (A) by inserting before “Payments under”
 25 the following new sentence: “Payments under

1 this section for a member of the Army, Navy,
2 Air Force, or Marine Corps shall be paid from
3 the Department of Defense Military Retirement
4 Fund.”; and

5 (B) by inserting “for any other member”
6 before “for any fiscal year”.

7 (b) PAYMENT OF INCREASED RETIREMENT TRUST
8 FUND COSTS DUE TO CONCURRENT RECEIPT OR EN-
9 HANCED SPECIAL DISABILITY COMPENSATION PAY-
10 MENTS.—

11 (1) Section 1463(a)(1) of this title is amended
12 by inserting before the semicolon the following: “and
13 payments under section 1413, 1413a, or 1414 of
14 this title paid to such members”.

15 (2) Section 1465(b) of such title is amended by
16 adding at the end the following new paragraph:

17 “(3) At the same time that the Secretary of Defense
18 makes the determination required by paragraph (1) for
19 any fiscal year, the Secretary shall determine the amount
20 of the Treasury contribution to be made to the Fund for
21 the next fiscal year under section 1466(b)(2)(D) of this
22 title. That amount shall be determined in the same man-
23 ner as the determination under paragraph (1) of the total
24 amount of Department of Defense contributions to be
25 made to the Fund during that fiscal year under section

1 1466(a) of this title, except that for purposes of this para-
2 graph the Secretary, in making the calculations required
3 by subparagraphs (A) and (B) of that paragraph, shall
4 use the single level percentages determined under sub-
5 section (c)(4), rather than those determined under sub-
6 section (c)(1).”.

7 (3) Section 1465(c) of such title is amended—

8 (A) in paragraph (1)—

9 (i) in subparagraph (A), by inserting be-
10 fore the semicolon at the end the following: “,
11 to be determined without regard to section
12 1413, 1413a, or 1414 of this title”;

13 (ii) in subparagraph (B), by inserting be-
14 fore the period at the end the following: “, to
15 be determined without regard to section 1413,
16 1413a, or 1414 of this title”; and

17 (iii) in the sentence following subparagraph
18 (B), by striking “subsection (b)” and inserting
19 “subsection (b)(1)”;

20 (B) by redesignating paragraph (4) as para-
21 graph (5); and

22 (C) by inserting after paragraph (3) the fol-
23 lowing new paragraph (4):

1 “(4) Whenever the Secretary carries out an actuarial
2 valuation under paragraph (1), the Secretary shall include
3 as part of such valuation the following:

4 “(A) A determination of a single level percent-
5 age determined in the same manner as applies under
6 subparagraph (A) of paragraph (1), but based only
7 upon the provisions of section 1413, 1413a, or 1414
8 of this title (whichever is in effect).

9 “(B) A determination of a single level percent-
10 age determined in the same manner as applies under
11 subparagraph (B) of paragraph (1), but based only
12 upon the provisions of section 1413, 1413a, or 1414
13 of this title (whichever is in effect).

14 Such single level percentages shall be used for the pur-
15 poses of subsection (b)(3).”.

16 (4) Section 1466(b) of such title is amended—

17 (A) in paragraph (1), by striking “sections
18 1465(a) and 1465(c)” and inserting “sections
19 1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)”;
20 and

21 (B) by adding at the end of paragraph (2) the
22 following new subparagraph:

23 “(D) The amount for that year determined by
24 the Secretary of Defense under section 1465(b)(3)
25 of this title for the cost to the Fund arising from in-

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2003.

8 SEC. 651. EXPANDED COMMISSARY ACCESS FOR SELECTED
9 RESERVE MEMBERS, RESERVE RETIREES
10 UNDER AGE 60, AND THEIR DEPENDENTS.

11 (a) ACCESS TO MILITARY COMMISSARIES.—Section
12 1065 of title 10, United States Code, is amended—

(1) in subsections (a), (b), and (c), by inserting
“commissary stores and” after “use” each place it
appears; and

16 (2) in subsection (d)—

(A) by inserting “commissary stores and”
after “use” the first and third places it ap-
pears; and

(B) by inserting “stores and” after “use”
the second and fourth places it appears.

(b) CONFORMING AMENDMENTS; TRANSFER OF SECTION.—Chapter 54 of such title is amended—

24 (1) by striking sections 1063 and 1064;

1 (2) in section 1063a(c)(2), by striking “section
2 1065(e)” and inserting “section 1063(e”;

3 (3) by redesignating section 1063a, as amended
4 by paragraph (2), as section 1064;

5 (4) by transferring section 1065, as amended
6 by subsection (a), so as to appear after section
7 1062; and

8 (5) by striking the heading of such section, as
9 amended by subsection (a) and transferred by para-
10 graph (4), and inserting the following new heading:

11 **“§ 1063. Use of commissary stores and MWR retail fa-
12 cilities: members of reserve components
13 and reserve retirees under age 60”.**

14 (c) CLERICAL AMENDMENTS.—The table of sections
15 at the beginning of such chapter is amended by striking
16 the items relating to sections 1063, 1063a, 1064, and
17 1065 and inserting the following new items:

“1063. Use of commissary stores and MWR retail facilities: members of reserve
components and reserve retirees under age 60.

“1064. Use of commissary stores and MWR retail facilities: members of Na-
tional Guard serving in federally declared disaster or national
emergency.”.

18 **SEC. 652. DEFENSE COMMISSARY SYSTEM AND EXCHANGE
19 STORES SYSTEM.**

20 (a) EXISTENCE OF SYSTEMS.—Chapter 147 of title
21 10, United States Code, is amended by inserting before
22 section 2482 the following new section:

1 **“§ 2481. Existence of defense commissary system and**
 2 **exchange stores system**

3 “(a) IN GENERAL.—The Secretary of Defense shall
 4 operate a defense commissary system and an exchange
 5 stores system in the manner provided by this chapter and
 6 other provisions of law.

7 “(b) SEPARATE SYSTEMS.—Except as authorized by
 8 section 2490a of this title, the defense commissary system
 9 and the exchange stores system shall be operated as sepa-
 10 rate systems of the Department of Defense.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
 12 at the beginning of such chapter is amended by inserting
 13 before the item relating to section 2482 the following new
 14 item:

“2481. Existence of defense commissary system and exchange stores system.”.

15 **SEC. 653. LIMITATIONS ON PRIVATE OPERATION OF DE-**
 16 **FENSE COMMISSARY STORE FUNCTIONS.**

17 Section 2482(a) of title 10, United States Code, is
 18 amended—

19 (1) by striking the first and second sentences
 20 and inserting the following: “(1) Under such regula-
 21 tions as the Secretary of Defense may approve, pri-
 22 vate persons may operate selected commissary store
 23 functions, except that such functions may not in-
 24 clude functions relating to the procurement of prod-
 25 ucts to be sold in a commissary store or functions

1 relating to the overall management of a commissary
2 system or the management of a commissary store.”;
3 and

4 (2) by adding at the end the following new
5 paragraph:

6 “(2) Any change to private operation of a commissary
7 store function shall not take effect until the Secretary of
8 Defense submits written notice of the proposed change to
9 Congress and a period of 90 days of continuous session
10 of Congress expires following the date on which notice was
11 received, determined as provided in section 2486(d)(2) of
12 this title.”.

13 **SEC. 654. USE OF APPROPRIATED FUNDS TO OPERATE DE-**
14 **FENSE COMMISSARY SYSTEM.**

15 (a) REQUIREMENT THAT COMMISSARY OPERATING
16 EXPENSES BE PAID FROM APPROPRIATED FUNDS.—Sec-
17 tion 2484 of title 10, United States Code, is amended—

18 (1) in subsection (a), by striking “may” and in-
19 serting “shall”; and

20 (2) in subsection (b), by striking “may” in the
21 first sentence and inserting “shall”.

22 (b) SUPPLEMENTAL FUNDS FOR COMMISSARY OPER-
23 ATIONS.—Such section is further amended by adding at
24 the end the following new subsection:

1 “(c) SUPPLEMENTAL FUNDS FOR COMMISSARY OP-
2 ERATIONS.—Amounts appropriated to cover the expenses
3 of operating the Defense Commissary Agency and the de-
4 fense commissary system may be supplemented with addi-
5 tional funds from manufacturers’ coupon redemption fees,
6 handling fees for tobacco products, and other amounts re-
7 ceived as reimbursement for other support activities pro-
8 vided by commissary activities.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall take effect on October 1, 2003.

11 **SEC. 655. RECOVERY OF NONAPPROPRIATED FUND IN-**
12 **STRUMENTALITY AND COMMISSARY STORE**
13 **INVESTMENTS IN REAL PROPERTY AT MILI-**
14 **TARY INSTALLATIONS CLOSED OR RE-**
15 **ALIGNED.**

16 (a) 1988 LAW.—Section 204(b)(7)(C)(i) of the De-
17 fense Authorization Amendments and Base Closure and
18 Realignment Act (Public Law 100–526; 10 U.S.C. 2687
19 note) is amended in the second sentence by striking “The
20 Secretary may use amounts in the account (in such an
21 aggregate amount as is provided in advance in appropria-
22 tion Acts)” and inserting “Amounts in the account shall
23 be available to the Secretary, without appropriation and
24 until expended,”.

1 (b) 1990 LAW.—Section 2906(d)(3) of the Defense
2 Base Closure and Realignment Act of 1990 (part A of title
3 XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is
4 amended by striking “The Secretary may use amounts in
5 the account (in such an aggregate amount as is provided
6 in advance in appropriation Acts)” and inserting
7 “Amounts in the account shall be available to the Sec-
8 retary, without appropriation and until expended,”.

9 **SEC. 656. COMMISSARY SHELF-STOCKING PILOT PROGRAM.**

10 (a) PILOT PROGRAM AUTHORITY.—Subject to sub-
11 section (c), the Secretary of Defense may conduct a pilot
12 program under which the stocking of shelves at three de-
13 fense commissary stores operated by the Defense Com-
14 missary Agency shall be the sole responsibility of Federal
15 employees of the Agency or employees contracted by the
16 agency.

17 (b) IMPLEMENTATION PLAN.—(1) The Secretary of
18 Defense shall submit to the Committee on Armed Services
19 of the Senate and the Committee on Armed Services of
20 the House of Representatives a plan for the conduct of
21 the pilot program. The plan shall be submitted not later
22 than six months after the date of the enactment of this
23 Act.

24 (2) The plan shall include the following:

1 (A) The financial structure of the pilot program
2 and expected costs.

3 (B) The Secretary's request to the Office of
4 Personnel Management to conduct the pilot program
5 as a Federal civilian personnel demonstration project
6 under chapter 47 of title 5, United States Code, or
7 a plan to provide otherwise a sufficiently flexible
8 Federal civilian workforce for the pilot program
9 through another authority.

10 (C) Specification of the three sites for the con-
11 duct of the pilot program and the criteria used to se-
12 lect those sites.

13 (D) Proposed duration of the pilot program and
14 the expected timing for providing to Congress the re-
15 sults of the pilot program and recommendations of
16 the Secretary.

17 (E) Other observations and recommendations of
18 the Secretary.

19 (c) IMPLEMENTATION.—The Secretary of Defense
20 may not begin to conduct the pilot program until a period
21 of 30 days has elapsed after the date of the submission
22 of the plan for the pilot program under subsection (b).

Subtitle F—Other Matters

SEC. 661. REPEAL OF CONGRESSIONAL NOTIFICATION REQUIREMENT FOR DESIGNATION OF CRITICAL MILITARY SKILLS FOR RETENTION BONUS.

Section 323(b) of title 37, United States Code, is amended—

(1) by striking “(1)”; and

(2) by striking paragraph (2).

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. REVISION OF DEPARTMENT OF DEFENSE MEDICAL CARE-ELIGIBLE RETIREE HEALTH CARE FUND TO PERMIT MORE ACCURATE ACTUARIAL VALUATIONS.

Section 1115(c) of title 10, United States Code, is amended by adding at the end of paragraph (1) the following: “In determining single level dollar amounts under subparagraphs (A) and (B) of this paragraph, the Secretary of Defense may determine a separate single level dollar amount under either or both subparagraphs for any participating uniformed service, if, in the judgment of the Secretary, such a determination would produce a more accurate and appropriate actuarial valuation for that uniformed service.”.

1 **SEC. 702. TRANSFER OF CERTAIN MEMBERS FROM PHAR-**
2 **MACY AND THERAPEUTICS COMMITTEE TO**
3 **UNIFORM FORMULARY BENEFICIARY ADVI-**
4 **SORY PANEL UNDER THE PHARMACY BENE-**
5 **FITS PROGRAM.**

6 Section 1074g of title 10, United States Code, is
7 amended—

8 (1) in subsection (b)(1) in the second sentence,
9 by striking “facilities,” and all that follows through
10 the end of the sentence and inserting “facilities and
11 representatives of providers in facilities of the uni-
12 formed services.”; and

13 (2) in subsection (c)(2)—

14 (A) by striking “represent nongovern-
15 mental” and inserting the following: “rep-
16 resent—

17 “(A) nongovernmental”;

18 (B) by striking the period at the end and
19 inserting a semicolon; and

20 (C) by adding at the end the following new
21 subparagraphs:

22 “(B) contractors responsible for the TRICARE
23 retail pharmacy program;

24 “(C) contractors responsible for the national
25 mail-order pharmacy program; and

26 “(D) TRICARE network providers.”.

1 **SEC. 703. PERMANENT EXTENSION OF AUTHORITY TO**
2 **ENTER INTO PERSONAL SERVICES CON-**
3 **TRACTS FOR THE PERFORMANCE OF HEALTH**
4 **CARE RESPONSIBILITIES AT LOCATIONS**
5 **OTHER THAN MILITARY MEDICAL TREAT-**
6 **MENT FACILITIES.**

7 Section 1091(a)(2) of title 10, United States Code,
8 is amended by striking “The Secretary may not enter into
9 a contract under this paragraph after December 31,
10 2003.”.

11 **SEC. 704. PLAN FOR PROVIDING HEALTH COVERAGE IN-**
12 **FORMATION TO MEMBERS, FORMER MEM-**
13 **BERS, AND DEPENDENTS ELIGIBLE FOR CER-**
14 **TAIN HEALTH BENEFITS.**

15 (a) **HEALTH INFORMATION PLAN REQUIRED.**—The
16 Secretary of Defense shall develop a plan to—

17 (1) ensure that each household that includes
18 one or more eligible persons is provided information
19 concerning—

20 (A) the extent of health coverage provided
21 by sections 1079 or 1086 of title 10, United
22 States Code, for each such person;

23 (B) the costs, including the limits on such
24 costs, that each such person is required to pay
25 for such health coverage;

1 (C) sources of information for locating
2 TRICARE-authorized providers in the house-
3 hold's locality; and

4 (D) methods to obtain assistance in resolv-
5 ing difficulties encountered with billing, pay-
6 ments, eligibility, locating TRICARE-authorized
7 providers, collection actions, and such other
8 issues as the Secretary considers appropriate;

9 (2) provide mechanisms to ensure that each eli-
10 gible person has access to information identifying
11 TRICARE-authorized providers in the person's lo-
12 cality who have agreed to accept new patients under
13 section 1079 or 1086 of title 10, United States
14 Code, and to ensure that such information is peri-
15 odically updated;

16 (3) provide mechanisms to ensure that each eli-
17 gible person who requests assistance in locating a
18 TRICARE-authorized provider is provided such as-
19 sistance;

20 (4) provide information and recruitment mate-
21 rials and programs aimed at attracting participation
22 of health care providers as necessary to meet health
23 care access requirements for all eligible persons; and

24 (5) provide mechanisms to allow for the peri-
25 odic identification by the Department of Defense of

1 the number and locality of eligible persons who may
2 intend to rely on TRICARE-authorized providers for
3 health care services.

4 (b) IMPLEMENTATION OF PLAN.—The Secretary of
5 Defense shall implement the plan required by subsection
6 (a) with respect to any contract entered into by the De-
7 partment of Defense after May 31, 2003, for managed
8 health care.

9 (c) DEFINITIONS.—In this section:

10 (1) The term “eligible person” means a person
11 eligible for health benefits under section 1079 or
12 1086 of title 10, United States Code.

13 (2) The term “TRICARE-authorized provider”
14 means a facility, doctor, or other provider of health
15 care services—

16 (A) that meets the licensing and
17 credentialing certification requirements in the
18 State where the services are rendered;

19 (B) that meets requirements under regula-
20 tions relating to TRICARE for the type of
21 health care services rendered; and

22 (C) that has accepted reimbursement by
23 the Secretary of Defense as payment for serv-
24 ices rendered during the 12-month period pre-
25 ceding the date of the most recently updated

1 provider information provided to households
2 under the plan required by subsection (a).

3 (d) SUBMISSION OF PLAN.—Not later than March
4 31, 2004, the Secretary shall submit to the Committees
5 on Armed Services of the Senate and House of Represent-
6 atives the plan required by subsection (a), together with
7 a schedule for implementation of the plan.

8 **SEC. 705. WORKING GROUP ON MILITARY HEALTH CARE**
9 **FOR PERSONS RELIANT ON HEALTH CARE**
10 **FACILITIES AT MILITARY INSTALLATIONS TO**
11 **BE CLOSED OR REALIGNED.**

12 Section 722 of the National Defense Authorization
13 Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C.
14 1073 note) is amended by striking subsections (a), (b),
15 (c), and (d) and inserting the following new subsections:

16 “(a) ESTABLISHMENT.—Not later than December
17 31, 2003, the Secretary of Defense shall establish a work-
18 ing group on the provision of military health care to per-
19 sons who rely for health care on health care facilities lo-
20 cated at military installations—

21 “(1) inside the United States that are selected
22 for closure or realignment in the 2005 round of re-
23 alignments and closures authorized by sections
24 2912, 2913, and 2914 of the Defense Base Closure
25 and Realignment Act of 1990 (part A of title XXIX

1 of Public Law 101–510; 10 U.S.C. 2687 note), as
2 added by title XXX of the National Defense Author-
3 ization Act for Fiscal Year 2002 (Public Law 107–
4 107; 155 Stat. 1342); or

5 “(2) outside the United States that are selected
6 for closure or realignment as a result of force pos-
7 ture changes.

8 “(b) MEMBERSHIP.—The members of the working
9 group shall include, at a minimum, the following:

10 “(1) The Assistant Secretary of Defense of
11 Health Affairs, or the designee of the Assistant Sec-
12 retary.

13 “(2) The Surgeon General of the Army, or the
14 designee of that Surgeon General.

15 “(3) The Surgeon General of the Navy, or the
16 designee of that Surgeon General.

17 “(4) The Surgeon General of the Air Force, or
18 the designee of that Surgeon General.

19 “(5) At least one independent member from
20 each TRICARE region, but not to exceed a total of
21 12 members appointed under this paragraph, whose
22 experience in matters within the responsibility of the
23 working group qualify that person to represent per-
24 sons authorized health care under chapter 55 of title
25 10, United States Code.

1 “(c) DUTIES.—(1) In developing the selection criteria
2 and recommendations for the 2005 round of realignments
3 and closures required by sections 2913 and 2914 of the
4 Defense Base Closure and Realignment Act of 1990, the
5 Secretary of Defense shall consult with the working group.

6 “(2) The working group shall be available to provide
7 assistance to the Defense Base Closure and Realignment
8 Commission.

9 “(3) In the case of each military installation referred
10 to in paragraph (1) or (2) of subsection (a) whose closure
11 or realignment will affect the accessibility to health care
12 services for persons entitled to such services under chapter
13 55 of title 10, United States Code, the working group shall
14 provide to the Secretary of Defense a plan for the provi-
15 sion of the health care services to such persons.

16 “(d) SPECIAL CONSIDERATIONS.—In carrying out its
17 duties under subsection (c), the working group—

18 “(1) shall conduct meetings with persons enti-
19 tled to health care services under chapter 55 of title
20 10, United States Code, or representatives of such
21 persons;

22 “(2) may use reliable sampling techniques;

23 “(3) may visit the areas where closures or re-
24 alignments of military installations will adversely af-

1 fect the accessibility of health care for such persons
2 and may conduct public meetings; and

3 “(4) shall ensure that members of the uni-
4 formed services on active duty, members and former
5 members of the uniformed services entitled to retired
6 or retainer pay, and dependents and survivors of
7 such members and retired personnel are afforded the
8 opportunity to express their views.”.

9 **SEC. 706. ACCELERATION OF IMPLEMENTATION OF CHIRO-**
10 **PRACTIC HEALTH CARE FOR MEMBERS ON**
11 **ACTIVE DUTY.**

12 The Secretary of Defense shall accelerate the imple-
13 mentation of the plan required by section 702 of the Floyd
14 D. Spence National Defense Authorization Act for Fiscal
15 Year 2001 (Public Law 106–398) (relating to chiropractic
16 health care services and benefits), with a goal of com-
17 pleting implementation of the plan by October 1, 2005.

18 **SEC. 707. MEDICAL AND DENTAL SCREENING FOR MEM-**
19 **BERS OF SELECTED RESERVE UNITS ALERT-**
20 **ED FOR MOBILIZATION.**

21 Section 1074a of title 10, United States Code, is
22 amended by adding at the end the following new sub-
23 section:

24 “(f)(1) The Department of Defense may provide med-
25 ical and dental screening and care to members of the Se-

1 lected Reserve who are assigned to a unit that has been
2 alerted that the unit will be mobilized for active duty in
3 support of an operational mission or contingency oper-
4 ation, during a national emergency, or in a time of war.

5 “(2) The medical and dental screening and care that
6 may be provided under this subsection is screening and
7 care necessary to ensure that a member meets the medical
8 and dental standards for required deployment.

9 “(3) The services provided under this subsection shall
10 be provided to a member at no cost to the member and
11 at any time after the unit to which the member is assigned
12 is alerted or otherwise notified that the unit will be mobi-
13 lized.”.

14 **TITLE VIII—ACQUISITION POL-**
15 **ICY, ACQUISITION MANAGE-**
16 **MENT, AND RELATED MAT-**
17 **TERS**

18 **Subtitle A—Amendments to Gen-**
19 **eral Contracting Authorities,**
20 **Procedures, and Limitations**

21 **SEC. 801. EXTENSION OF AUTHORITY TO CARRY OUT CER-**
22 **TAIN PROTOTYPE PROJECTS.**

23 Section 845 of the National Defense Authorization
24 Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C.

1 2371 note) is amended in subsection (g) by striking “Sep-
2 tember 30, 2004” and inserting “September 30, 2008”.

3 **SEC. 802. ELIMINATION OF CERTAIN SUBCONTRACT NOTI-**
4 **FICATION REQUIREMENTS.**

5 Subsection (e) of section 2306 of title 10, United
6 States Code, is amended—

7 (1) by striking “(A)” and “(B)” and inserting
8 “(i)” and “(ii)”, respectively;

9 (2) by redesignating paragraphs (1) and (2) as
10 subparagraphs (A) and (B), respectively;

11 (3) by striking “Each” and inserting “(1) Ex-
12 cept as provided in paragraph (2), each”; and

13 (4) by adding at the end the following new
14 paragraph:

15 “(2) Paragraph (1) shall not apply to a prime con-
16 tract with a contractor that maintains a purchasing sys-
17 tem approved by the contracting officer for the contract.”.

18 **SEC. 803. ELIMINATION OF REQUIREMENT TO FURNISH**
19 **WRITTEN ASSURANCES OF TECHNICAL DATA**
20 **CONFORMITY.**

21 Section 2320(b) of title 10, United States Code, is
22 amended—

23 (1) by striking paragraph (7); and

24 (2) by redesignating paragraphs (8) and (9) as
25 paragraphs (7) and (8), respectively.

1 **SEC. 804. LIMITATION PERIOD FOR TASK AND DELIVERY**
2 **ORDER CONTRACTS.**

3 (a) IN GENERAL.—Chapter 137 of title 10, United
4 States Code, is amended—

5 (1) in section 2304a—

6 (A) in subsection (e)—

7 (i) by inserting “(1)” before “A task”;

8 and

9 (ii) by adding at the end the following

10 new paragraphs:

11 “(2) Unless use of procedures other than competitive
12 procedures is authorized by an exception in subsection (c)
13 of section 2304 of this title and approved in accordance
14 with subsection (f) of such section, competitive procedures
15 shall be used for making such a modification.

16 “(3) Notice regarding the modification shall be pro-
17 vided in accordance with section 18 of the Office of Fed-
18 eral Procurement Policy Act (41 U.S.C. 416) and section
19 8(e) of the Small Business Act (15 U.S.C. 637(e)).”; and

20 (B) by striking subsection (f) and inserting
21 the following:

22 “(f) LIMITATION ON CONTRACT PERIOD.—The base
23 period of a task order contract or delivery order contract
24 entered into under this section may not exceed five years
25 unless a longer period is specifically authorized in a law
26 that is applicable to such contract. The contract may be

1 extended for an additional 5 years (for a total contract
2 period of not more than 10 years) through modifications,
3 options, or otherwise.”; and

4 (2) in section 2304b—

5 (A) by striking subsection (a) and insert-
6 ing the following:

7 “(a) IN GENERAL.—A task order contract (as defined
8 in section 2304d of this title) for procurement of advisory
9 and assistance services shall be subject to the require-
10 ments of this section, sections 2304a and 2304c of this
11 title, and other applicable provisions of law.”;

12 (B) by striking subsections (b), (f), and (g)
13 and redesignating subsections (c), (d), (e), (h),
14 and (i) as subsections (b) through (f);

15 (C) by amending subsection (c) (as redes-
16 ignated by subparagraph (B)) to read as fol-
17 lows:

18 “(c) REQUIRED CONTENT OF CONTRACT.—A task
19 order contract described in subsection (a) shall contain the
20 same information that is required by section 2304a(b) to
21 be included in the solicitation of offers for that contract.”;

22 and

23 (D) in subsection (d) (as redesignated by
24 subparagraph (B))—

1 (i) in paragraph (1), by striking
2 “under this section” and inserting “de-
3 scribed in subsection (a)”; and

4 (ii) in paragraph (2), by striking
5 “under this section”.

6 (b) REPEALS.—(1) Subsection (g) of section 2306c
7 of title 10, United States Code, is repealed.

8 (2) Subsection (c) of section 811 of the Bob Stump
9 National Defense Authorization Act for Fiscal Year 2003
10 (Public Law 107–314; 116 Stat. 2608) is repealed.

11 **SEC. 805. ADDITIONAL AUTHORITIES RELATING TO OB-**
12 **TAINING PERSONAL SERVICES.**

13 (a) IN GENERAL.—Section 129b of title 10, United
14 States Code, is amended—

15 (1) in subsection (a)(1), by striking “in accord-
16 ance with section 3109 of title 5”; and

17 (2) by adding at the end the following new sub-
18 section:

19 “(d) ADDITIONAL AUTHORITY.—(1) In addition to
20 the authority provided under subsection (a), the Secretary
21 of Defense may enter into personal services contracts with
22 individuals, regardless of their nationality, outside of the
23 United States.

24 “(2) The contracting officer for a personal services
25 contract shall be responsible for ensuring that a personal

1 services contract is the appropriate vehicle for carrying out
2 the purpose of the contract.”.

3 (b) INTELLIGENCE COMPONENTS.—(1) Subchapter I
4 of chapter 21 of title 10, United States Code, is amended
5 by adding at the end the following new section:

6 **“§ 426. Personal services contracts: authority and**
7 **limitations**

8 “(a) PERSONAL SERVICES.—(1) The Secretary of
9 Defense may, notwithstanding section 3109 of title 5,
10 enter into personal services contracts in the United States
11 if the personal services directly support the mission of a
12 defense intelligence component or counter-intelligence or-
13 ganization.

14 “(2) The contracting officer for a personal services
15 contract shall be responsible for ensuring that a personal
16 services contract is the appropriate vehicle for carrying out
17 the purpose of the contract.

18 “(b) DEFINITION.—In this section, the term ‘defense
19 intelligence component’ means a component of the Depart-
20 ment of Defense that is an element of the intelligence com-
21 munity, as defined in section 3(4) of the National Security
22 Act of 1947 (50 U.S.C. 401a(4)).”.

23 (2) The table of sections at the beginning of such sub-
24 chapter is amended by adding at the end the following
25 new item:

“426. Personal services contracts: authority and limitations.”.

1 (c) SPECIAL OPERATIONS COMMAND.—Section 167
2 of title 10, United States Code, is amended by adding at
3 the end the following new subsection:

4 “(1) PERSONAL SERVICES CONTRACTS.—(1) The
5 Secretary of Defense may, notwithstanding section 3109
6 of title 5, enter into personal services contracts in the
7 United States if the personal services directly support the
8 mission of the special operations command.

9 “(2) The contracting officer for a personal services
10 contract shall be responsible for ensuring that a personal
11 services contract is the appropriate vehicle for carrying out
12 the purpose of the contract.”.

13 **SEC. 806. EVALUATION OF PROMPT PAYMENT PROVISIONS.**

14 (a) EVALUATION REQUIREMENT.—The Secretary of
15 Defense shall evaluate provisions of law and regulation re-
16 lating to the prompt payment of amounts due contractors
17 under contracts with the Department of Defense.

18 (b) MATTERS COVERED.—In carrying out such eval-
19 uation, the Secretary shall focus in particular on the im-
20 plementation of prompt payment provisions with respect
21 to small businesses, including—

22 (1) an analysis of compliance by the Depart-
23 ment of Defense with chapter 39 of title 31, United
24 States Code, and regulations applicable to the De-

1 partment of Defense under that chapter, with re-
2 spect to small business contractors;

3 (2) a determination of the number of Depart-
4 ment of Defense contracts with small businesses
5 that are not in compliance with prompt payment re-
6 quirements; and

7 (3) a determination of the average length of
8 time that elapses between performance of work by
9 small business contractors under Department of De-
10 fense contracts and payment for such work.

11 **Subtitle B—United States Defense** 12 **Industrial Base Provisions**

13 **Part I—Critical Items Identification and Domestic** 14 **Production Capabilities Improvement Program**

15 **SEC. 811. ASSESSMENT OF UNITED STATES DEFENSE IN-** 16 **DUSTRIAL BASE CAPABILITIES.**

17 (a) ASSESSMENT PROGRAM.—The Secretary of De-
18 fense, in coordination with the Secretary of each military
19 department, shall establish a program to assess the capa-
20 bilities of the United States defense industrial base to
21 produce military systems necessary to support national se-
22 curity requirements.

23 (b) DESIGNEE.—The Secretary of each military de-
24 partment shall designate a position to be responsible for
25 assisting in carrying out the program under subsection (a)

1 with respect to the military department concerned. The
2 person designated to serve in such position shall do the
3 following:

4 (1) Report to the Service Acquisition Executive
5 of the military department concerned on defense in-
6 dustrial base matters affecting the acquisition and
7 production of military systems.

8 (2) Provide information to assist the Secretary
9 of Defense in carrying out the Secretary's duties as
10 a member of the National Defense Technology and
11 Industrial Base Council (as established under sec-
12 tion 2502 of title 10, United States Code).

13 (3) Oversee the collection of data to assist the
14 Secretary of Defense in carrying out subsection (c).

15 (4) Oversee the process for identifying and de-
16 termining critical items to assist the Secretary of
17 Defense in carrying out section 812.

18 (c) COLLECTION OF DATA.—The Secretary of De-
19 fense shall collect data in support of the program. At a
20 minimum, with respect to each procurement for a covered
21 military system, the following information shall be col-
22 lected:

23 (1) With respect to the contractor awarded the
24 contract:

1 (A) An identification of the critical item or
2 items included in the covered military system
3 and whether the item is of a domestic or for-
4 eign source.

5 (B) Whether the contractor is a foreign
6 contractor, and, if so—

7 (i) whether the contract was awarded
8 on a sole source basis because of the un-
9 availability of responsible offerors with
10 United States production capabilities; or

11 (ii) whether the contract was awarded
12 after receipt of offers from responsible
13 offerors with United States production ca-
14 pabilities.

15 (C) Whether the contractor is a United
16 States contractor, and, if the contractor plans
17 to perform work under the contract outside the
18 United States, an identification of the locations
19 where the work (including research, develop-
20 ment, and manufacturing) will be performed, an
21 explanation of the business rationale for why
22 the decision was made to transfer the work out-
23 side the United States, and a certification of
24 the specific percentage of the total contract to
25 be performed outside the United States.

1 (2) With respect to the offerors submitting bids
2 or proposals (other than the offeror awarded the
3 contract):

4 (A) An identification of the critical item or
5 items included in the covered military system
6 and whether the item is of a domestic or for-
7 eign source.

8 (B) An identification of the domestic and
9 foreign offerors and the locations where the
10 work (including research, development, and
11 manufacturing) was proposed to be performed
12 under the contract.

13 (C) A statement of whether there were no
14 offerors or whether there was only one offeror.

15 (d) CONFIDENTIALITY.—The Secretary of Defense
16 shall make every effort to ensure that the information col-
17 lected under this section from private sector entities re-
18 mains confidential.

19 (e) ASSESSMENT.—The Secretary of Defense shall
20 prepare an assessment of the data compiled under this
21 section during every two-year period and shall submit the
22 results of the assessment to the Committees on Armed
23 Services of the Senate and the House of Representatives,
24 including the recommendations of the Secretary regarding
25 how procurement from the United States defense indus-

1 trial base can be maximized. The first such assessment
2 shall cover the period of fiscal Year 2002 and fiscal Year
3 2003 and shall be submitted to the Committees no later
4 than November 1, 2004.

5 **SEC. 812. IDENTIFICATION OF CRITICAL ITEMS: MILITARY**
6 **SYSTEM BREAKOUT LIST.**

7 (a) IDENTIFICATION PROCESS.—The Secretary of
8 Defense shall establish a process to identify, with respect
9 to each military system—

10 (1) the items and components within the mili-
11 tary system;

12 (2) the items and components within the mili-
13 tary system that are essential, in accordance with
14 subsection (c); and

15 (3) the items and components within the mili-
16 tary system that are critical, in accordance with sub-
17 section (d).

18 (b) MILITARY SYSTEM BREAKOUT LIST.—The Sec-
19 retary of Defense shall produce a list, to be known as the
20 “military system breakout list”, consisting of the items
21 and components identified under the process established
22 under subsection (a).

23 (c) ESSENTIAL ITEMS AND COMPONENTS.—For pur-
24 poses of determining whether an item or component is es-

1 sential, the Secretary shall include only an item or compo-
2 nent that—

3 (1) is essential for the proper functioning and
4 performance of the military system of which the
5 item or component is a part; or

6 (2) involves a critical technology (as defined in
7 section 2500 of title 10, United States Code).

8 (d) CRITICAL ITEMS OR COMPONENTS.—(1) For pur-
9 poses of determining whether an item or component is
10 critical, the Secretary shall include only an item or compo-
11 nent that—

12 (A) is essential, as determined under subsection
13 (c); and

14 (B) with respect to which there is a high bar-
15 rier to entry for the production of the item or com-
16 ponent.

17 (2) For purposes of paragraph (1)(B), a high barrier
18 to entry for the production of an item or component means
19 that—

20 (A) there would be a significant period of time
21 required to reestablish United States production ca-
22 pabilities; and

23 (B) the level of investment necessary to reestab-
24 lish United States production capabilities that are

1 able to meet surge and sustained production rates
2 for wartime requirements is significant.

3 (e) REPORT.—Not later than November 1 of each
4 year, beginning with November 1, 2004, the Secretary of
5 Defense shall submit to the Committees on Armed Serv-
6 ices of the Senate and the House of Representatives a re-
7 port on the implementation of this section. The report
8 shall include the following:

9 (1) A list of each military system covered by the
10 process established under subsection (a).

11 (2) A list of items and components determined
12 to be essential.

13 (3) A list of items and components determined
14 to be critical.

15 (4) A list of the items and components con-
16 tained in the lists provided under paragraphs (2)
17 and (3) that are manufactured or produced outside
18 the United States.

19 **SEC. 813. PROCUREMENT OF CERTAIN CRITICAL ITEMS**
20 **FROM AMERICAN SOURCES.**

21 (a) REQUIREMENT FOR PROCUREMENT OF CERTAIN
22 CRITICAL ITEMS PRODUCED IN UNITED STATES.—With
23 respect to items that meet the criteria set forth in sub-
24 section (b), the Secretary of Defense may procure such

1 items only if the items are entirely produced in the United
2 States.

3 (b) CRITERIA.—For purposes of subsection (a), an
4 item meets the criteria of this subsection if—

5 (1) it is a critical item; and

6 (2) there are limited sources of production ca-
7 pability of the item in the United States.

8 (c) EXCEPTION.—Subsection (a) does not apply to a
9 procurement of an item when the Secretary of Defense
10 determines in writing that the Department of Defense’s
11 need for the item is of such an unusual and compelling
12 urgency that the United States would be seriously injured
13 unless the Department is permitted to procure the item
14 from sources outside the United States.

15 (d) APPLICABILITY.—Subsection (a) shall apply to
16 contracts for the procurement of covered military systems
17 and subcontracts under such contracts.

18 **SEC. 814. PRODUCTION CAPABILITIES IMPROVEMENT FOR**
19 **CERTAIN CRITICAL ITEMS USING DEFENSE**
20 **INDUSTRIAL BASE CAPABILITIES FUND.**

21 (a) ESTABLISHMENT OF FUND.—There is estab-
22 lished in the Treasury of the United States a separate
23 fund to be known as the Defense Industrial Base Capabili-
24 ties Fund (hereafter in this section referred to as the
25 “Fund”).

1 (b) MONEYS IN FUND.—There shall be credited to
2 the Fund amounts appropriated to it.

3 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to the Fund \$100,000,000
5 for fiscal year 2004.

6 (d) USE OF FUND.—The Secretary of Defense is au-
7 thorized to use all amounts in the Fund, subject to appro-
8 priation, for the purposes of establishing capabilities with-
9 in the United States to produce critical items that meet
10 any of the following criteria:

11 (1) The item is available only from foreign con-
12 tractors.

13 (2) The item is available only from a limited
14 number of United States contractors.

15 (e) LIMITATION ON USE OF FUND.—Before the obli-
16 gation of any amounts in the Fund, the Secretary of De-
17 fense shall submit to Congress a report describing the Sec-
18 retary's plans for implementing the Fund established in
19 subsection (a), including the priorities for the obligation
20 of amounts in the Fund, the criteria for determining the
21 recipients of such amounts, and the mechanisms through
22 which such amounts may be provided to the recipients.

23 (f) AVAILABILITY OF FUNDS.—Amounts in the Fund
24 shall remain available until expended.

1 (g) FUND MANAGER.—The Secretary of Defense
2 shall designate a Fund manager. The duties of the Fund
3 manager shall include—

4 (1) ensuring the visibility and accountability of
5 transactions engaged in through the Fund; and

6 (2) reporting to Congress each year regarding
7 activities of the Fund during the previous fiscal
8 year.

9 **Part II—Requirements Relating to Specific Items**

10 **SEC. 821. DOMESTIC SOURCE LIMITATION AMENDMENTS.**

11 (a) ADDITIONAL ITEMS.—Section 2534(a) of title 10,
12 United States Code, is amended by adding at the end of
13 the following new paragraphs:

14 “(6) Fuzes used for ordnance.

15 “(7) Microwave power tubes or traveling wave
16 tubes.

17 “(8) PAN carbon fiber.

18 “(9) Aircraft tires.

19 “(10) Ground vehicle tires.

20 “(11) Tank track assemblies.

21 “(12) Tank track components.

22 “(13) Pre-formed retort packaging in direct
23 contact with main entree meals within meals ready-
24 to-eat listed in Federal Supply Class 8970.”.

1 (b) AMENDMENT OF NATIONAL TECHNOLOGY AND
2 INDUSTRIAL BASE.—Paragraph (1) of section 2500 of
3 title 10, United States Code, is amended—

4 (1) by striking all that follows after “States” to
5 the end of the paragraph and inserting a period; and

6 (2) by striking “production, or maintenance”
7 and inserting “production, and maintenance”.

8 (c) AMENDMENT OF WAIVER AUTHORITY.—Section
9 2534(d) of title 10, United States Code, is amended—

10 (1) in the text before paragraph (1), by insert-
11 ing “in writing” after “determines”;

12 (2) by striking paragraphs (1), (2), (3), (6),
13 (7), and (8);

14 (3) by redesignating paragraphs (4) and (5) as
15 paragraphs (2) and (3), respectively, and in such
16 paragraph (3), as so redesignated, by adding at the
17 end the following: “This exception shall not apply to
18 items determined to be critical by the Secretary of
19 Defense under section 812 of the National Defense
20 Authorization Act for Fiscal Year 2004.”; and

21 (4) by inserting before paragraph (2), as so re-
22 designated, the following new paragraph (1):

23 “(1) The Department of Defense’s need for the
24 item is of such an unusual and compelling urgency
25 that the United States would be seriously injured

1 unless the Department is permitted to procure the
2 item from sources outside the United States.”.

3 **SEC. 822. REQUIREMENTS RELATING TO BUYING COMMER-**
4 **CIAL ITEMS CONTAINING SPECIALTY METALS**
5 **FROM AMERICAN SOURCES.**

6 (a) SPECIALTY METALS AND OTHER INDUSTRIAL
7 BASE PROTECTION MEASURES.—(1) Subsection (b) of
8 section 2533a of title 10, United States Code, is amend-
9 ed—

10 (A) in paragraph (1)(B), by inserting before the
11 semicolon the following: “and the materials and
12 components thereof”; and

13 (B) in paragraph (2), by inserting before the
14 period the following: “ and any specialty metal that
15 may be part of another item”.

16 (2) Subsection (c) of such section is amended—

17 (A) by striking “or the Secretary of the military
18 department concerned”; and

19 (B) by adding at the end the following: “For
20 each such determination, the Secretary of Defense
21 shall notify Congress in writing of the factors sup-
22 porting the determination.”.

23 (3) Section 2533a of such title is amended by adding
24 at the end the following new subsection:

1 “(l) AUTHORITY NOT DELEGABLE.—The Secretary
2 may not delegate any authority under this section to any-
3 one other than the Under Secretary of Defense for Acqui-
4 sition, Technology, and Logistics.”.

5 (b) EXCEPTION TO BERRY AMENDMENT FOR COM-
6 Mercial ITEMS CONTAINING SPECIALTY METALS.—Sec-
7 tion 2533a of title 10, United States Code, is amended—

8 (1) by redesignating subsections (i) and (j) as
9 subsections (j) and (k), respectively; and

10 (2) by inserting after subsection (h) the fol-
11 lowing new subsection:

12 “(i) EXCEPTION FOR COMMERCIAL ITEMS CON-
13 TAINING SPECIALTY METALS.—

14 “(1) IN GENERAL.—Subsection (a) does not
15 apply to the procurement of a commercial item con-
16 taining specialty metals if—

17 “(A) the contractor agrees to comply with
18 the requirement set forth in paragraph (2); or

19 “(B) the Secretary of Defense determines
20 in writing that the Department of Defense’s
21 need for the commercial item containing spe-
22 cialty metal is of such an unusual and compel-
23 ling urgency that the United States would be
24 seriously injured unless the Department is per-

mitted to procure the item containing specialty metal from outside the United States.

“(2) REQUIREMENT TO PURCHASE EQUIVALENT AMOUNT OF DOMESTIC METAL.—For purposes of paragraph (1)(A), the requirement set forth in this paragraph is that the contractor for each contract entered into by the Secretary for the procurement of a commercial item containing specialty metal agrees to purchase, over the 18-month period beginning on the date of award of the contract, an amount of specialty metal that is—

“(A) produced, including such functions as melting and smelting, in the United States; and

“(B) equivalent to—

“(i) the amount of specialty metal (measured by factors including volume, type, and grade) purchased to carry out the work under the contract (including the work under each subcontract at any tier under the contract); plus

“(ii) 10 percent of the amount referred to in clause (i).

“(3) RELATIONSHIP TO OTHER EXCEPTIONS.—

The exceptions under subsections (c), (d), and (h) of

1 this section shall not apply to the procurement of a
2 commercial item containing specialty metals.

3 “(4) NOTICE TO CONGRESS.—The Secretary of
4 Defense shall not enter into a contract to procure a
5 commercial item containing specialty metal pursuant
6 to the exception in subsection (a) until Congress is
7 notified that the Secretary has applied the exception
8 and a period of 15 days has expired after such noti-
9 fication is made.

10 “(5) NOTICE TO INDUSTRY.—The Secretary of
11 Defense shall publish a notice in the Federal Reg-
12 ister on the method that the Department of Defense
13 will use to measure an equivalent amount of spe-
14 cialty metal for purposes of this subsection. Such a
15 method shall consider factors such as volume, type,
16 and grade of specialty metal that otherwise would be
17 produced from United States sources.”.

18 (c) REMOVAL OF SPECIALTY METAL FROM SUB-
19 SECTION (e) EXCEPTION.—Subsection (e) of such section
20 is amended—

21 (1) in the heading, by striking “SPECIALTY
22 METALS AND”; and

23 (2) by striking “specialty metals or”.

1 (d) CONFORMING AMENDMENT.—Subsection (a) of
2 section 2533a of such title is amended by striking
3 “through (h)” and inserting “through (i)”.

4 (e) EFFECTIVE DATE.—Section 2533a(i) of title 10,
5 United States Code, as added by subsection (a), shall
6 apply to each contract for the procurement of a commer-
7 cial item containing specialty metal entered into before,
8 on, or after the date of the enactment of this Act.

9 **SEC. 823. ELIMINATION OF UNRELIABLE SOURCES OF DE-**
10 **FENSE ITEMS AND COMPONENTS.**

11 (a) IDENTIFICATION OF CERTAIN COUNTRIES.—The
12 Secretary of Defense shall identify foreign countries that,
13 by law, policy, or regulation, restricted the provision or
14 sale of military goods or services to the United States be-
15 cause of United States policy toward, or military oper-
16 ations in, Iraq since September 12, 2002.

17 (b) PROHIBITION ON PROCUREMENT OF CERTAIN
18 ITEMS FROM IDENTIFIED COUNTRIES.—The Secretary of
19 Defense may not procure any items or components con-
20 tained in military systems if the items or components, or
21 the systems, are manufactured in any foreign country
22 identified under subsection (a).

23 (c) WAIVER AUTHORITY.—The Secretary of Defense
24 may waive the limitation in subsection (b) if the Secretary
25 determines in writing and notifies Congress that the De-

1 partment of Defense’s need for the item is of such an un-
2 usual and compelling urgency that the United States
3 would be seriously injured unless the Department is per-
4 mitted to procure the item from the sources identified in
5 subsection (a).

6 (d) EFFECTIVE DATE.—(1) Subject to paragraph
7 (2), subsection (b) applies to contracts in existence on the
8 date of the enactment of this Act or entered into after
9 such date.

10 (2) With respect to contracts in existence on the date
11 of the enactment of this Act, the Secretary of Defense
12 shall take such action as is necessary to ensure that such
13 contracts are in compliance with subsection (b) not later
14 than 24 months after such date.

15 **SEC. 824. CONGRESSIONAL NOTIFICATION REQUIRED BE-**
16 **FORE EXERCISING EXCEPTION TO REQUIRE-**
17 **MENT TO BUY SPECIALTY METALS FROM**
18 **AMERICAN SOURCES.**

19 Section 2533a(c) of title 10, United States Code, is
20 amended by adding at the end the following new sentence:
21 “The Secretary of Defense or the Secretary of the military
22 department concerned may not procure specialty metals
23 pursuant to the exception authorized by this subsection
24 until the Secretary submits to Congress and publishes in
25 the Federal Register notice of the determination made

1 under this subsection and a period of 15 days expires after
2 the date such notification is submitted.”.

3 **SEC. 825. REPEAL OF AUTHORITY FOR FOREIGN PROCURE-**
4 **MENT OF PARA-ARAMID FIBERS AND YARNS.**

5 Section 807 of the Strom Thurmond National De-
6 fense Authorization Act for Fiscal Year 1999 (Public Law
7 105–261; 112 Stat. 2084) is repealed.

8 **SEC. 826. REQUIREMENT FOR MAJOR DEFENSE ACQUISI-**
9 **TION PROGRAMS TO USE MACHINE TOOLS**
10 **ENTIRELY PRODUCED WITHIN THE UNITED**
11 **STATES.**

12 (a) IN GENERAL.—(1) Chapter 144 of title 10,
13 United States Code, is amended by inserting after section
14 2435 the following new section:

15 **“§ 2436. Major defense acquisition programs: require-**
16 **ment for certain items to be entirely pro-**
17 **duced in United States**

18 “The Secretary of Defense shall require that, for any
19 procurement of a major defense acquisition program—

20 “(1) the contractor for the procurement shall
21 use only machine tools entirely produced within the
22 United States to carry out the contract; and

23 “(2) any subcontractor under the contract shall
24 comply with paragraph (1) in the case of any con-
25 tract in an amount that is \$5,000,000 or greater.

1 (2) The table of sections at the beginning of such
2 chapter is amended by inserting after the item relating
3 to section 2435 the following new item:

“2436. Major defense acquisition programs: requirement for certain items to be
entirely produced in United States.”.

4 (b) **EFFECTIVE DATE.**—Section 2436 of title 10,
5 United States Code, as added by subsection (a), shall
6 apply with respect to contracts entered into after the date
7 occurring four years after the date of the enactment of
8 this Act.

9 **SEC. 827. DATA COLLECTION AND TECHNICAL ASSISTANCE**

10 **CENTER RELATING TO MACHINE TOOLS.**

11 (a) **COLLECTION OF DATA ON CONTRACTS USING**
12 **MACHINE TOOLS.**—The Secretary of Defense shall collect
13 data in order to identify all contractors and subcontractors
14 that use machine tools in carrying out any defense con-
15 tract in an amount that is \$5,000,000 or greater.

16 (b) **TECHNICAL ASSISTANCE CENTER.**—The Sec-
17 retary of Defense shall establish a center to provide tech-
18 nical assistance to machine tool companies in the United
19 States, and entities that use machine tools, to seek guid-
20 ance with respect to government contracting regulations,
21 including compliance procedures, and opportunities for
22 contracting with the Department of Defense. As part of
23 the assistance provided through the center, the Secretary
24 may provide information about defense contracts that are

1 expected to be carried out through the use of machine
2 tools.

3 (c) DEFINITION.—In this section the term “machine
4 tools” includes machine tools in the North American In-
5 dustry Classification System (NAICS) codes 333511,
6 333512, 333513, 333514, and 333515.

7 **SEC. 828. BUY AMERICAN ENHANCEMENT.**

8 Section 2533 of title 10, United States Code, is
9 amended—

10 (1) by redesignating subsection (b) as sub-
11 section (c); and

12 (2) by inserting after subsection (a) the fol-
13 lowing new subsection (b):

14 “(b) In determining under section 2 of the Buy
15 American Act (41 U.S.C. 10a et seq.) whether application
16 of such Act is inconsistent with the public interest, the
17 Secretary of Defense shall not consider the provisions of
18 any trade agreement between the United States and a for-
19 eign country that is in effect at the time of the determina-
20 tion.”.

21 **SEC. 829. REQUIREMENT RELATING TO PURCHASES BY DE-**
22 **PARTMENT OF DEFENSE SUBJECT TO BUY**
23 **AMERICAN ACT.**

24 In applying section 2 of the Buy American Act (41
25 U.S.C. 10a) to acquisitions by the Department of Defense,

1 the term “substantially all” shall mean at least 65 per-
2 cent.

3 **Part III—General Provisions**

4 **SEC. 831. DEFINITIONS.**

5 In this subtitle:

6 (1) COVERED MILITARY SYSTEM.—The term
7 “covered military system” means a military system
8 that includes one or more critical items.

9 (2) MILITARY SYSTEM.—The term “military
10 system” means a military system necessary to sup-
11 port national security requirements, as determined
12 by the Secretary of Defense, and which costs more
13 than \$25,000. At a minimum, the term includes the
14 following:

15 (A) Weapons listed in Federal Supply
16 Group 10.

17 (B) Nuclear ordnance listed in Federal
18 Supply Group 11.

19 (C) Fire control equipment listed in Fed-
20 eral Supply Group 12.

21 (D) Ammunition and explosives listed in
22 Federal Supply Group 13.

23 (E) Guided missiles listed in Federal Sup-
24 ply Group 14.

1 (F) Aircraft and related components, ac-
2 cessories, and equipment listed in Federal Sup-
3 ply Groups 15, 16, and 17.

4 (G) Space vehicles listed in Federal Supply
5 Group 18.

6 (H) Ships, small craft, pontoons, and float-
7 ing docks listed in Federal Supply Group 19.

8 (I) Ship and marine equipment listed in
9 Federal Supply Group 20.

10 (J) Tracked combat vehicles listed in Fed-
11 eral Supply Class 2350.

12 (K) Engines, turbines, and components
13 listed in Federal Supply Group 28.

14 (3) CRITICAL ITEM.—The term “critical item”
15 means an item or component determined to be crit-
16 ical by the Secretary of Defense under section 812.

17 (4) ITEM.—The term “item” means an end
18 item.

19 (5) COMPONENT.—The term “component”
20 means an article, material, or supply incorporated
21 into an end item. The term includes software and
22 subassemblies.

23 (6) FOREIGN CONTRACTOR.—The term “foreign
24 contractor” means a contractor or subcontractor or-

ganized or existing under the laws of a country other than the United States.

(7) UNITED STATES CONTRACTOR.—The term “United States contractor” means a contractor or subcontractor organized or existing under the laws of the United States.

(8) UNITED STATES PRODUCTION CAPABILITIES.—The term “United States production capabilities” means, with respect to an item or component, facilities located in the United States to design, develop, or manufacture the item or component.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. CHANGE IN TITLE OF SECRETARY OF THE NAVY TO SECRETARY OF THE NAVY AND MARINE CORPS.

(a) CHANGE IN TITLE.—The position of the Secretary of the Navy is hereby redesignated as the Secretary of the Navy and Marine Corps.

(b) REFERENCES.—Any reference to the Secretary of the Navy in any law, regulation, document, record, or other paper of the United States shall be considered to

1 be a reference to the Secretary of the Navy and Marine
2 Corps.

3 **SEC. 902. REDESIGNATION OF NATIONAL IMAGERY AND**
4 **MAPPING AGENCY AS NATIONAL**
5 **GEOSPATIAL-INTELLIGENCE AGENCY.**

6 (a) REDESIGNATION.—The National Imagery and
7 Mapping Agency of the Department of Defense is hereby
8 redesignated as the National Geospatial-Intelligence Agen-
9 cy.

10 (b) DEFINITION OF GEOSPATIAL INTELLIGENCE.—
11 Section 467 of title 10, United States Code, is amended
12 by adding at the end the following new paragraph:

13 “(5) The term ‘geospatial intelligence’ means
14 the exploitation and analysis of imagery and
15 geospatial information to describe, assess, and vis-
16 ually depict physical features and geographically ref-
17 erenced activities on the earth. Geospatial intel-
18 ligence consists of imagery, imagery intelligence, and
19 geospatial information.”.

20 (c) AGENCY MISSIONS.—(1) Section 442(a) of title
21 10, United States Code, is amended—

22 (A) in paragraph (1), by inserting “geospatial
23 intelligence consisting of” after “provide”; and

1 (B) in paragraph (2), by striking “Imagery,
2 intelligency, and information” and inserting
3 “Geospatial intelligence”.

4 (2) Section 110(a) of the National Security Act of
5 1947 (50 U.S.C. 404e(a)) is amended by striking “im-
6 agery” and inserting “geospatial intelligence”.

7 (d) CONFORMING AMENDMENTS TO TITLE 10,
8 UNITED STATES CODE.—Title 10, United States Code, is
9 amended as follows:

10 (1) The heading of chapter 22 is amended to
11 read as follows:

12 **“CHAPTER 22—NATIONAL GEOSPATIAL-**
13 **INTELLIGENCE AGENCY”.**

14 (2) Chapter 22 is amended—

15 (A) by striking “National Imagery and
16 Mapping Agency” each place it appears and in-
17 serting “National Geospatial-Intelligence Agen-
18 cy”; and

19 (B) in section 453(b), by striking “NIMA”
20 in paragraphs (1) and (2) and inserting
21 “NGA”.

22 (3) Section 193 is amended—

23 (A) by striking “National Imagery and
24 Mapping Agency” in subsections (d)(1), (d)(2),

1 (e), and (f)(4) and inserting “National
2 Geospatial-Intelligence Agency”;

3 (B) in the heading for subsection (d), by
4 striking “NATIONAL IMAGERY AND MAPPING
5 AGENCY” and inserting “NATIONAL
6 GEOSPATIAL-INTELLIGENCE AGENCY”; and

7 (C) in the heading for subsection (e), by
8 striking “NIMA” and inserting “NGA”.

9 (4) Section 201 is amended by striking “Na-
10 tional Imagery and Mapping Agency” in subsections
11 (b)(2)(C) and (c)(2)(C) and inserting “National
12 Geospatial-Intelligence Agency”.

13 (5)(A) Section 424 is amended by striking “Na-
14 tional Imagery and Mapping Agency” in subsection
15 (b)(3) and inserting “National Geospatial-Intel-
16 ligence Agency”.

17 (B)(i) The heading of such section is amended
18 to read as follows:

19 **“§ 424. Disclosure of organizational and personnel in-**
20 **formation: exemption for specified intel-**
21 **ligence agencies”.**

22 (ii) The item relating to that section in the
23 table of sections at the beginning of subchapter I of
24 chapter 21 is amended to read as follows:

“424. Disclosure of organizational and personnel information: exemption for
specified intelligence agencies.”.

1 (6) Section 425(a) is amended by adding at the
2 end the following new paragraph:

3 “(5) The words ‘National Geospatial-Intel-
4 ligence Agency’, the initials ‘NGA,’ or the seal of the
5 National Geospatial-Intelligence Agency.”.

6 (7) Section 1614(2)(C) is amended by striking
7 “National Imagery and Mapping Agency” and in-
8 serting “National Geospatial-Intelligence Agency”.

9 (8) The tables of chapters at the beginning of
10 subtitle A, and at the beginning of part I of subtitle
11 A, are each amended by striking “Imagery and Map-
12 ping” in the item relating to chapter 22 and insert-
13 ing “Geospatial-Intelligence”.

14 (e) CONFORMING AMENDMENTS TO NATIONAL SECU-
15 RITY ACT OF 1947.—The National Security Act of 1947
16 is amended as follows:

17 (1) Section 3 (50 U.S.C. 401a) is amended by
18 striking “National Imagery and Mapping Agency” in
19 paragraph (4)(E) and inserting “National
20 Geospatial- Intelligence Agency”.

21 (2) Section 105 (50 U.S.C. 403–5) is amended
22 by striking “National Imagery and Mapping Agen-
23 cy” in subsections (b)(2) and (d)(3) and inserting
24 “National Geospatial-Intelligence Agency”.

1 (3) Section 105A (50 U.S.C. 403–5a) is amend-
2 ed by striking “National Imagery and Mapping
3 Agency” in subsection (b)(1)(C) and inserting “Na-
4 tional Geospatial-Intelligence Agency”.

5 (4) Section 105C (50 U.S.C. 403-5c) is amend-
6 ed—

7 (A) by striking “National Imagery and
8 Mapping Agency” each place it appears and in-
9 serting “National Geospatial-Intelligence Agen-
10 cy”;

11 (B) by striking “NIMA” each place it ap-
12 pears and inserting “NGA”; and

13 (C) by striking “NATIONAL IMAGERY AND
14 MAPPING AGENCY” in the section heading and
15 inserting “NATIONAL GEOSPATIAL-INTEL-
16 LIGENCE AGENCY”.

17 (5) Section 106 (50 U.S.C. 403–6) is amended
18 by striking “National Imagery and Mapping Agen-
19 cy” in subsection (a)(2)(C) and inserting “National
20 Geospatial-Intelligence Agency”.

21 (6) Section 110 (50 U.S.C. 404e) is amended—

22 (A) by striking “National Imagery and
23 Mapping Agency” in subsections (a), (b), and
24 (c) and inserting “National Geospatial-Intel-
25 ligence Agency”; and

1 (B) by striking “NATIONAL IMAGERY AND
2 MAPPING AGENCY” in the section heading and
3 inserting “NATIONAL GEOSPATIAL-INTEL-
4 LIGENCE AGENCY”.

5 (7) The table of contents in the first section is
6 amended—

7 (A) by striking the item relating to section
8 105C and inserting the following:

“Sec. 105C. Protection of operational files of National Geospatial-Intelligence
Agency.”;

9 and

10 (B) by striking the item relating to section
11 110 and inserting the following:

“Sec. 110. National mission of National Geospatial-Intelligence Agency.”.

12 (f) CROSS REFERENCE CORRECTION.—Section
13 442(d) of title 10, United States Code, is by striking “sec-
14 tion 120(a) of the National Security Act of 1947” and
15 inserting “section 110(a) of the National Security Act of
16 1947 (50 U.S.C. 404e(a))”.

17 (g) REFERENCES.—Any reference to the National
18 Imagery and Mapping Agency in any law, regulation, map,
19 document, record, or other paper of the United States
20 shall be considered to be a reference to the National
21 Geospatial-Intelligence Agency.

1 **SEC. 903. PILOT PROGRAM FOR PROVISION OF SPACE SUR-**
2 **VEILLANCE NETWORK SERVICES TO NON-**
3 **UNITED STATES GOVERNMENTAL ENTITIES.**

4 (a) IN GENERAL.—Chapter 135 of title 10, United
5 States Code, is amended by adding at the end the fol-
6 lowing new section:

7 **“§ 2272. Space surveillance network: pilot program**
8 **for provision of satellite tracking support**
9 **to entities outside United States Govern-**
10 **ment**

11 “(a) PILOT PROGRAM.—The Secretary of Defense
12 may carry out a pilot program to determine the feasibility
13 and desirability of providing to non-United States Govern-
14 mental entities space surveillance data support described
15 in subsection (b).

16 “(b) SPACE SURVEILLANCE DATA SUPPORT.—Under
17 such a pilot program, the Secretary may provide to a non-
18 United States Governmental entity, subject to an agree-
19 ment described in subsection (c), the following:

20 “(1) Satellite tracking services from assets
21 owned or controlled by the Department of Defense,
22 but only if the Secretary determines, in the case of
23 any such agreement, that providing such services to
24 that entity is in the national security interests of the
25 United States.

1 “(2) Space surveillance data and the analysis of
2 space surveillance data, but only if the Secretary de-
3 termines, in the case of any such agreement, that
4 providing such data and analysis to that entity is in
5 the national security interests of the United States.

6 “(c) REQUIRED AGREEMENT.—The Secretary may
7 not provide space surveillance data support to a non-
8 United States Governmental entity under the pilot pro-
9 gram unless that entity enters into an agreement with the
10 Secretary under which the entity—

11 “(1) agrees to pay an amount that may be
12 charged by the Secretary under subsection (f); and

13 “(2) agrees not to transfer any data or tech-
14 nical information received under the agreement, in-
15 cluding the analysis of tracking data, to any other
16 entity without the Secretary’s express approval.

17 “(d) REQUIREMENTS WITH RESPECT TO FOREIGN
18 TRANSACTIONS.—(1) The Secretary may enter into an
19 agreement under subsection (c) to provide space surveil-
20 lance data support to a foreign government or other for-
21 eign entity only with the concurrence of the Secretary of
22 State.

23 “(2) In the case of such an agreement that is entered
24 into with a foreign government or other foreign entity, the
25 Secretary of Defense may provide approval under sub-

1 section (c)(2) for a transfer of data or technical informa-
2 tion only with the concurrence of the Secretary of State.

3 “(e) PROHIBITION CONCERNING PROVISION OF IN-
4 TELLIGENCE ASSETS OR DATA.—Nothing in this section
5 shall be considered to authorize the provision of services
6 or information concerning, or derived from, United States
7 intelligence assets or data.

8 “(f) CHARGES.—As a condition of an agreement
9 under subsection (c), the Secretary of Defense may require
10 the non-United States Governmental entity entering into
11 the agreement to pay to the Department of Defense such
12 amounts as the Secretary determines to be necessary to
13 reimburse the Department of Defense for the costs to the
14 Department of providing space surveillance data support
15 under the agreement.

16 “(g) CREDITING OF FUNDS RECEIVED.—Funds re-
17 ceived pursuant to an agreement under this section shall
18 be credited to accounts of the Department of Defense that
19 are current when the proceeds are received and that are
20 available for the same purposes as the accounts originally
21 charged to perform the services. Funds so credited shall
22 merge with and become available for obligation for the
23 same period as the accounts to which they are credited.

24 “(h) PROCEDURES.—The Secretary shall establish
25 procedures for the conduct of the pilot program. As part

1 of those procedures, the Secretary may allow space surveil-
 2 lance data and analytical support to be provided through
 3 a contractor of the Department of Defense.

4 “(i) DURATION OF PILOT PROGRAM.—The pilot pro-
 5 gram under this section shall be conducted during the
 6 three-year period beginning on a date specified by the Sec-
 7 retary of Defense, which date shall be not later than 180
 8 days after the date of the enactment of this section.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
 10 at the beginning of such chapter is amended by adding
 11 at the end the following new item:

“2272. Space surveillance network: pilot program for provision of satellite track-
 ing services and data to entities outside United States Govern-
 ment.”.

12 **SEC. 904. CLARIFICATION OF RESPONSIBILITY OF MILI-**
 13 **TARY DEPARTMENTS TO SUPPORT COMBAT-**
 14 **ANT COMMANDS.**

15 Sections 3013(c)(4), 5013(c)(4), and 8013(c)(4) of
 16 title 10, United States Code, are each amended by striking
 17 “(to the maximum extent practicable)”.

18 **SEC. 905. BIENNIAL REVIEW OF NATIONAL MILITARY**
 19 **STRATEGY BY CHAIRMAN OF THE JOINT**
 20 **CHIEFS OF STAFF.**

21 (a) BIENNIAL REVIEW.—Section 153 of title 10,
 22 United States Code, by adding at the end the following
 23 new subsection:

1 “(d) BIENNIAL REVIEW OF NATIONAL MILITARY
2 STRATEGY.—(1) Not later than February 15 of each even-
3 numbered year, the Chairman shall submit to the Com-
4 mittee on Armed Services of the Senate and the Com-
5 mittee on Armed Services of the House of Representatives
6 a report containing the results of a comprehensive exam-
7 ination of the national military strategy. Each such exam-
8 ination shall be conducted by the Chairman in conjunction
9 with the other members of the Joint Chiefs of Staff and
10 the commanders of the unified and specified commands.

11 “(2) Each report on the examination of the national
12 military strategy under paragraph (1) shall include the fol-
13 lowing:

14 “(A) Delineation of a national military strategy
15 consistent with the most recent National Security
16 Strategy prescribed by the President pursuant to
17 section 108 of the National Security Act of 1947
18 (50 U.S.C. 404a) and the most recent Quadrennial
19 Defense Review prescribed by the Secretary of De-
20 fense pursuant to section 118 of this title.

21 “(B) A description of the strategic environment
22 and the opportunities and challenges that affect
23 United States national interests and United States
24 national security.

1 “(C) A description of the regional threats to
2 United States national interests and United States
3 national security.

4 “(D) A description of the international threats
5 posed by terrorism, weapons of mass destruction,
6 and asymmetric challenges to United States national
7 security.

8 “(E) Identification of United States national
9 military objectives and the relationship of those ob-
10 jectives to the strategic environment, regional, and
11 international threats.

12 “(F) Identification of the strategy, underlying
13 concepts, and component elements that contribute to
14 the achievement of United States national military
15 objectives.

16 “(G) Assessment of the capabilities and ade-
17 quacy of United States forces (including both active
18 and reserve components) to successfully execute the
19 national military strategy.

20 “(H) Assessment of the capabilities, adequacy,
21 and interoperability of regional allies of the United
22 States and or other friendly nations to support
23 United States forces in combat operations and other
24 operations for extended periods of time.

1 “(I) Assessment of the resources, basing re-
2 quirements, and support structure needed to provide
3 the capabilities necessary to be assured United
4 States forces can successfully achieve national mili-
5 tary objectives and to assess what resources and
6 support might be required to sustain allies or friend-
7 ly nation forces during combat operations.

8 “(3)(A) As part of the assessment under this sub-
9 section, the Chairman, in conjunction with the other mem-
10 bers of the Joint Chiefs of Staff and the commanders of
11 the unified and specified commands, shall undertake an
12 assessment of the nature and magnitude of the strategic
13 and military risks associated with successfully executing
14 the missions called for under the current National Military
15 Strategy.

16 “(B) In preparing the assessment of risk, the Chair-
17 man should assume the existence of those threats de-
18 scribed in subparagraphs (C) and (D) of paragraph (2)
19 and should assess the risk associated with two regional
20 threats occurring nearly simultaneously.

21 “(C) In addition to the assumptions to be made under
22 subparagraph (B), the Chairman should make other as-
23 sumptions pertaining to the readiness of United States
24 forces (in both the active and reserve components), the
25 length of conflict and the level of intensity of combat oper-

1 ations, and the levels of support from allies and other
2 friendly nations.

3 “(4) Before submitting a report under this subsection
4 to the Committees on Armed Services of the Senate and
5 House of Representatives, the Chairman shall provide the
6 report to the Secretary of Defense. The Secretary’s assess-
7 ment and comments thereon (if any) shall be included with
8 the report. If the Chairman’s assessment in such report
9 in any year is that the risk associated with executing the
10 missions called for under the National Military Strategy
11 is significant, the Secretary shall include with the report
12 as submitted to those committees the Secretary’s plan for
13 mitigating the risk.”.

14 (b) CONFORMING AMENDMENT.—Subsection (b)(1)
15 of such section is amended by striking “each year” and
16 inserting “of each odd-numbered year”.

17 **SEC. 906. AUTHORITY FOR ACCEPTANCE BY ASIA-PACIFIC**
18 **CENTER FOR SECURITY STUDIES OF GIFTS**
19 **AND DONATIONS FROM NONFOREIGN**
20 **SOURCES.**

21 (a) AUTHORITY.—Subsection (a) of section 2611 of
22 title 10, United States Code, is amended—

23 (1) by striking “FOREIGN” in the subsection
24 caption;

1 (2) by striking “foreign” in paragraph (1) after
2 “Center,”; and

3 (3) by adding at the end of paragraph (1) the
4 following sentence: “Such gifts and donations may
5 be accepted from any agency of the United States,
6 any State or local government, any foreign govern-
7 ment, any foundation or other charitable organiza-
8 tion (including any that is organized or operates
9 under the laws of a foreign country), or any other
10 private source in the United States or a foreign
11 country.”.

12 (b) CONFORMING AMENDMENTS.—Such section is
13 further amended—

14 (1) by striking “foreign” in subsection (c); and

15 (2) in subsection (f)—

16 (A) by striking “FOREIGN” in the sub-
17 section caption;

18 (B) by striking “foreign” after “section,
19 a”; and

20 (C) by striking “from a foreign” and all
21 that follows through “country.” and inserting a
22 period.

23 (c) CLERICAL AMENDMENTS.— The heading of such
24 section, and the item relating to such section in the table
25 of sections at the beginning of chapter 155 of such title,

1 are each amended by striking the third word after the
2 colon.

3 **SEC. 907. REPEAL OF ROTATING CHAIRMANSHIP OF ECO-**
4 **NOMIC ADJUSTMENT COMMITTEE.**

5 Section 4004(b) of the Defense Economic Adjust-
6 ment, Diversification, Conversion, and Stabilization Act of
7 1990 (division D of Public Law 101–510; 10 U.S.C. 2391
8 note) is amended—

9 (1) by striking “Until October 1, 1997, the”
10 and inserting “The”; and

11 (2) by striking the second sentence.

12 **SEC. 908. PILOT PROGRAM FOR IMPROVED CIVILIAN PER-**
13 **SONNEL MANAGEMENT.**

14 (a) PILOT PROGRAM.—(1) The Secretary of Defense
15 may carry out a pilot program using an automated work-
16 force management system to demonstrate improved effi-
17 ciency in the performance of civilian personnel manage-
18 ment.

19 (2) Under the pilot program, the Secretary of De-
20 fense shall provide the Secretary of each military depart-
21 ment with the authority for the following:

22 (A) To use an automated workforce manage-
23 ment system for its civilian workforce to assess its
24 potential to substantially reduce hiring cycle times,
25 lower labor costs, increase efficiency, improve per-

1 formance management, provide better management
2 reporting, and enable it to make operational new
3 personnel management flexibilities granted under the
4 civilian personnel transformation program.

5 (B) Identify one regional civilian personnel cen-
6 ter (or equivalent) in each military department for
7 participation in the pilot program.

8 (3) The Secretary may carry out the pilot program
9 under this subsection at each selected regional civilian per-
10 sonnel center for a period of two years beginning not later
11 than March 1, 2004.

12 (b) PILOT PROGRAM CHARACTERISTICS.—The pilot
13 program civilian personnel management system shall have
14 at a minimum the following characteristics:

15 (1) Currently in use by Federal Government
16 agencies outside the Department of Defense.

17 (2) Able to be purchased on an annual sub-
18 scription basis.

19 (3) Requires no capital investment, software li-
20 cense fees, transaction charges, or “per seat” or
21 “concurrent user” restrictions.

22 (4) Capable of automating the workforce man-
23 agement functions of job definition, position man-
24 agement, recruitment, staffing, and performance
25 management using integrated vendor-supplied and

1 supported data, expert system rules engines, and
2 software functionality across those functions.

3 (5) Has a “native web” technical architecture
4 and an Oracle database.

5 (6) Fully hosted by the vendor so that the cus-
6 tomer requires only Internet access and an Internet
7 browser to use the system.

8 (7) Capable of operating completely “server
9 side” so that no software is required on the client
10 system and no invasive elements are used.

11 (c) IMPLEMENTATION PLAN.—(1) The Secretary
12 shall submit to the Committee on Armed Services of the
13 Senate and the Committee on Armed Services of the
14 House of Representatives a plan for the implementation
15 of the pilot program. The plan shall be submitted no later
16 than six months after the date of the enactment of this
17 Act.

18 (2) The plan shall include the following:

19 (A) The Secretary’s request to the Office of
20 Personnel Management to conduct the pilot program
21 as a Federal civilian personnel demonstration project
22 under chapter 47 of title 5, United States Code, or
23 a plan to provide for the pilot program through an-
24 other plan.

25 (B) The expected cost of the pilot program.

1 (C) Identification of the regional civilian per-
2 sonnel centers for participation in the pilot program
3 and the criteria used to select them.

4 (D) Expected timing for providing to Congress
5 the results of the pilot program and recommenda-
6 tions of the Secretary.

7 (d) IMPLEMENTATION.—The Secretary may not
8 begin to implement the pilot program until a period of 30
9 days has elapsed after the date of the submission of the
10 plan for the pilot program under subsection (c).

11 **SEC. 909. EXTENSION OF CERTAIN AUTHORITIES APPLICA-**
12 **BLE TO THE PENTAGON RESERVATION TO IN-**
13 **CLUDE DESIGNATED PENTAGON CON-**
14 **TINUITY-OF-GOVERNMENT LOCATIONS.**

15 Section 2674 of title 10, United States Code, is
16 amended by adding at the end the following new sub-
17 section:

18 “(g) For purposes of subsections (b), (c), (d), and
19 (e), the terms ‘Pentagon Reservation’ and ‘National Cap-
20 ital Region’ shall be treated as including the land and
21 physical facilities at the Raven Rock Mountain Complex
22 and such other areas of land, locations, and physical facili-
23 ties of the Department of Defense within 100 miles of the
24 District of Columbia as the Secretary of Defense deter-
25 mines are necessary to meet the needs of the Department

1 of Defense directly relating to continuity of operations and
2 continuity of government.”.

3 **SEC. 910. DEFENSE ACQUISITION WORKFORCE REDUC-**
4 **TIONS.**

5 (a) REVISED LIMITATION.—Subchapter V of chapter
6 87 of title 10, United States Code, is amended by adding
7 at the end the following new section:

8 **“§ 1765. Defense acquisition workforce: limitation**

9 “(a) LIMITATION.—Effective October 1, 2008, the
10 number of defense acquisition and support personnel in
11 the Department of Defense may not exceed 75 percent of
12 the baseline number.

13 “(b) PHASED REDUCTION.—The number of defense
14 acquisition and support personnel in the Department of
15 Defense—

16 “(1) as of October 1, 2004, may not exceed 95
17 percent of the baseline number;

18 “(2) as of October 1, 2005, may not exceed 90
19 percent of the baseline number;

20 “(3) as of October 1, 2006, may not exceed 85
21 percent of the baseline number; and

22 “(4) as of October 1, 2007, may not exceed 80
23 percent of the baseline number.

24 “(c) BASELINE NUMBER.—In this section, the term
25 ‘baseline number’ means the number of defense acquisi-

tion and support personnel in the Department of Defense as of October 1, 2003.

“(d) DEFENSE ACQUISITION AND SUPPORT PERSONNEL DEFINED.—In this section, the term ‘defense acquisition and support personnel’ means military and civilian personnel (other than civilian personnel who are employed at a maintenance depot) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992), and any other organizations which the Secretary may determine to have a predominantly acquisition mission.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

“1765. Defense acquisition workforce: limitation.”.

SEC. 911. REQUIRED FORCE STRUCTURE.

(a) ARMY.—Section 3062 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(e) The Army shall be so organized as to include not less than—

“(1) 10 active and eight National Guard combat divisions or their equivalents;

“(2) one active armored cavalry regiment and one light cavalry regiment or their equivalents;

1 “(3) 15 National Guard enhanced brigades or
2 their equivalents; and

3 “(4) such other active and reserve component
4 land combat, rotary-wing aviation, and other services
5 as may be required to support forces specified in
6 paragraphs (1) through (3).”.

7 (b) NAVY.—Section 5062 of such title is amended by
8 adding at the end the following new subsection:

9 “(d) The Navy, within the Department of the Navy,
10 shall be so organized as to include—

11 “(1) not less than 305 vessels in active service;

12 “(2) not less than 12 aircraft carrier battle
13 groups or their equivalents, not less than 12 am-
14 phibious ready groups or their equivalents, not less
15 than 55 attack submarines, not less than 108 active
16 surface combatant vessels, and not less than 8 re-
17 serve combatant vessels; and

18 “(3) such other active and reserve naval com-
19 bat, naval aviation, and service forces as may be re-
20 quired to support forces specified in paragraphs (1)
21 and (2).”.

22 (c) AIR FORCE.—Section 8062 of title 10, United
23 States Code, is amended by adding at the end the fol-
24 lowing new subsection:

1 “(g) Notwithstanding subsection (e), the Air Force
2 shall be so organized as to include not less than—

3 “(1) 46 active fighter squadrons or their
4 equivalents;

5 “(2) 38 National Guard and Reserve squadrons
6 or their equivalents;

7 “(3) 96 combat-coded bomber aircraft in active
8 service; and

9 “(4) such other squadrons, reserve groups, and
10 supporting auxiliary and reserve units as may be re-
11 quired to support forces specified in paragraphs (1)
12 through (3).”.

13 **TITLE X—GENERAL PROVISIONS**

14 **Subtitle A—Financial Matters**

15 **SEC. 1001. TRANSFER AUTHORITY.**

16 (a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—

17 (1) Upon determination by the Secretary of Defense that
18 such action is necessary in the national interest, the Sec-
19 retary may transfer amounts of authorizations made avail-
20 able to the Department of Defense in this division for fis-
21 cal year 2004 between any such authorizations for that
22 fiscal year (or any subdivisions thereof). Amounts of au-
23 thorizations so transferred shall be merged with and be
24 available for the same purposes as the authorization to
25 which transferred.

1 (2) The total amount of authorizations that the Sec-
2 retary may transfer under the authority of this section
3 may not exceed \$2,500,000,000.

4 (b) LIMITATIONS.—The authority provided by this
5 section to transfer authorizations—

6 (1) may only be used to provide authority for
7 items that have a higher priority than the items
8 from which authority is transferred; and

9 (2) may not be used to provide authority for an
10 item that has been denied authorization by Con-
11 gress.

12 (c) EFFECT ON AUTHORIZATION AMOUNTS.—A
13 transfer made from one account to another under the au-
14 thority of this section shall be deemed to increase the
15 amount authorized for the account to which the amount
16 is transferred by an amount equal to the amount trans-
17 ferred.

18 (d) NOTICE TO CONGRESS.—The Secretary shall
19 promptly notify Congress of each transfer made under
20 subsection (a).

21 **SEC. 1002. AUTHORIZATION OF SUPPLEMENTAL APPRO-**
22 **PRIATIONS FOR FISCAL YEAR 2003.**

23 (a) DOD AUTHORIZATIONS.—Amounts authorized to
24 be appropriated to the Department of Defense for fiscal
25 year 2003 in the Bob Stump National Defense Authoriza-

tion Act for Fiscal Year 2003 (Public Law 107–314) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased (by a supplemental appropriation) or decreased (by a rescission), or both, or are increased by a transfer of funds, pursuant to the following:

(1) Chapters 3 and 8 of title I of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108–11).

(2) Any Act enacted after May 23, 2003, making supplemental appropriations for fiscal year 2003 for the military functions of the Department of Defense.

(b) NNSA AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Energy for fiscal year 2003 in the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased (by a supplemental appropriation) or decreased (by a rescission), or both, or are increased by a transfer of funds, pursuant to the following:

(1) Chapter 4 of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108–11).

1 (2) Any Act enacted after May 23, 2003, mak-
2 ing supplemental appropriations for fiscal year 2003
3 for the atomic energy defense activities of the De-
4 partment of Energy.

5 **SEC. 1003. AUTHORITY TO TRANSFER PROCUREMENT**
6 **FUNDS FOR A MAJOR DEFENSE ACQUISITION**
7 **PROGRAM FOR CONTINUED DEVELOPMENT**
8 **WORK ON THAT PROGRAM.**

9 (a) **AUTHORITY.**—Section 2214 of title 10, United
10 States Code, is amended—

11 (1) by redesignating subsections (b), (c), and
12 (d) as subsections (c), (d), and (e), respectively; and

13 (2) by inserting after subsection (a) the fol-
14 lowing new subsection (b):

15 “(b) **TRANSFER OF PROCUREMENT FUNDS FOR DE-**
16 **VELOPMENT ACTIVITIES FOR MAJOR DEFENSE ACQUI-**
17 **SION SYSTEMS.**—(1) In the case of a major defense acqui-
18 sition program (as defined in section 2430 of this title)
19 for which funds are currently available both for procure-
20 ment and for research, development, test, and evaluation,
21 if the Secretary concerned determines that funds are re-
22 quired for further research, development, test, and evalua-
23 tion activities for that program in excess of the funds cur-
24 rently available for that purpose, the Secretary may (sub-
25 ject to paragraph (2)) transfer funds available for that

1 program for procurement to funds available for that pro-
2 gram for research, development, test, and evaluation for
3 the purpose of continuing research, development, test, and
4 evaluation activities for that program.

5 “(2)(A) The total amount transferred under the au-
6 thority of paragraph (1) for any acquisition program may
7 not exceed \$20,000,000.

8 “(B) The total amount transferred under the author-
9 ity of paragraph (1) from amounts made available for any
10 fiscal year may not exceed \$250,000,000.

11 “(3) The authority provided by paragraph (1) is in
12 addition to any other transfer authority that may be pro-
13 vided by law.

14 “(4) Upon a determination that all or part of the
15 funds transferred under paragraph (1) are not necessary
16 for the purpose for which the transfer was made, such
17 amounts may be transferred back to a Procurement ap-
18 propriation for the purpose of procurement of the acquisi-
19 tion program for which funds were transferred.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall not apply with respect to funds appro-
22 priated for a fiscal year before fiscal year 2004.

1 **SEC. 1004. RESTORATION OF AUTHORITY TO ENTER INTO**
2 **12-MONTH LEASES AT ANY TIME DURING THE**
3 **FISCAL YEAR.**

4 Section 2410a(a) of title 10, United States Code, is
5 amended by inserting after “severable services” the fol-
6 lowing: “and the lease of real or personal property, includ-
7 ing the maintenance of such property when contracted for
8 as part of the lease agreement,”.

9 **SEC. 1005. AUTHORITY FOR RETENTION OF ADDITIONAL**
10 **AMOUNTS REALIZED FROM ENERGY COST**
11 **SAVINGS.**

12 (a) INCREASE IN AMOUNT OF ENERGY COST SAV-
13 INGS RETAINED.—Section 2865(b)(1) of title 10, United
14 States Code, is amended by striking “Two-thirds of the
15 portion of the funds appropriated to Department of De-
16 fense for a fiscal year that is” and inserting “Funds ap-
17 propriated to the Department of Defense for a fiscal year
18 that are”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 subsection (a) shall not apply to funds appropriated for
21 a fiscal year before fiscal year 2004.

1 **SEC. 1006. REPEAL OF REQUIREMENT FOR TWO-YEAR**
2 **BUDGET CYCLE FOR THE DEPARTMENT OF**
3 **DEFENSE.**

4 Section 1405 of the Department of Defense Author-
5 ization Act, 1986 (Public Law 99–145; 31 U.S.C. 1105
6 note), is repealed.

7 **SEC. 1007. AUTHORITY TO PROVIDE REIMBURSEMENT FOR**
8 **USE OF PERSONAL CELLULAR TELEPHONES**
9 **WHEN USED FOR OFFICIAL GOVERNMENT**
10 **BUSINESS.**

11 (a) IN GENERAL.—(1) Chapter 134 of title 10,
12 United States Code, is amended by inserting after section
13 2257 the following new section:

14 **“§ 2258. Personal cellular telephones: reimbursement**
15 **when used for Government business**

16 “(a) GENERAL AUTHORITY.—The Secretary of De-
17 fense may reimburse members of the Army, Navy, Air
18 Force, and Marine Corp, and civilian officers and employ-
19 ees of the Department of Defense, for cellular telephone
20 use on a privately owned cellular telephone when used on
21 official Government business. Such reimbursement shall
22 be on a flat-rate basis.

23 “(b) REIMBURSEMENT RATE.—The Secretary of De-
24 fense may prescribe the reimbursement rate for purposes
25 of subsection (a). That reimbursement rate may not ex-
26 ceed the equivalent Government costs of providing a cel-

1 lular telephone to employees on official Government busi-
 2 ness.”.

3 (2) The table of sections at the beginning of sub-
 4 chapter II of such chapter is amended by inserting after
 5 the item relating to section 2257 the following new item:

“2258. Personal cellular telephones: reimbursement when used for Government
 business.”.

6 (b) EFFECTIVE DATE.—Section 2258 of title 10,
 7 United States Code, as added by subsection (a), shall take
 8 effect on October 1, 2003, and shall apply with respect
 9 to the use of cellular phones on or after that date.

10 **Subtitle B—Naval Vessels and** 11 **Shipyards**

12 **SEC. 1011. REPEAL OF REQUIREMENT REGARDING PRESER-** 13 **VATION OF SURGE CAPABILITY FOR NAVAL** 14 **SURFACE COMBATANTS.**

15 (a) REPEAL.—Section 7296 of title 10, United States
 16 Code, is amended by striking subsection (b).

17 (b) CLERICAL AMENDMENTS.—Such section is fur-
 18 ther amended—

19 (1) by striking “(3) Any notification under
 20 paragraph (1)(A)” and inserting “(b) CONTENT OF
 21 NOTIFICATION.—Any notification under subsection
 22 (a)(1)(A)”;

23 (2) by redesignating subparagraphs (A), (B),
 24 and (C) of subsection (b) (as redesignated by para-

1 graph (1)) as paragraphs (1), (2), and (3), respec-
2 tively; and

3 (3) by striking “subparagraph (B)” in sub-
4 section (b)(3) (as redesignated by paragraphs (1)
5 and (2)) and inserting “paragraph (2)”.

6 **SEC. 1012. ENHANCEMENT OF AUTHORITY RELATING TO**
7 **USE FOR EXPERIMENTAL PURPOSES OF VES-**
8 **SELS STRICKEN FROM NAVAL VESSEL REG-**
9 **ISTER.**

10 (a) SALE OF MATERIAL AND EQUIPMENT STRIPPED
11 FROM VESSEL.—Subsection (b)(1) of section 7306a of
12 title 10, United States Code, is amended by adding at the
13 end the following new sentence: “Material and equipment
14 stripped from the vessel may be sold by a contractor or
15 a designated sales agent on behalf of the Navy.”.

16 (b) USE OF PROCEEDS.—(1) Subsection (b)(2) of
17 such section is amended by striking “scrapping services”
18 and all that follows through the end of such subsection
19 and inserting “services needed for such stripping and for
20 environmental remediation required for the use of the ves-
21 sel for experimental purposes. Amounts received in excess
22 of amounts needed for reimbursement of those costs shall
23 be deposited into the account from which the stripping and
24 environmental remediation expenses were incurred and
25 shall be available for stripping and environmental remedi-

1 ation of other vessels to be used for experimental pur-
 2 poses.”.

3 (2) The amendment made by paragraph (1) shall not
 4 apply with respect to proceeds from the stripping of a ves-
 5 sel under any vessel stripping contract entered into before
 6 the date of the enactment of this Act.

7 (c) CLARIFICATION OF COVERED EXPERIMENTAL
 8 PURPOSES.—Such section is further amended by adding
 9 at the end the following new subsection:

10 “(c) USE FOR EXPERIMENTAL PURPOSES DE-
 11 FINED.—In this section, the term ‘use for experimental
 12 purposes’ includes use of a vessel in a Navy sink exercise
 13 or for target purposes.”.

14 **SEC. 1013. AUTHORIZATION FOR TRANSFER OF VESSELS**
 15 **STRICKEN FROM NAVAL VESSEL REGISTER**
 16 **FOR USE AS ARTIFICIAL REEFS.**

17 (a) AUTHORITY.—Chapter 633 of title 10, United
 18 States Code, is amended by inserting after section 7306a
 19 the following new section:

20 **“§ 7306b. Vessels stricken from Naval Vessel Register:**
 21 **transfer by gift or otherwise for use as**
 22 **artificial reefs**

23 “(a) AUTHORITY TO MAKE TRANSFER.—The Sec-
 24 retary of the Navy may transfer, by gift or otherwise, any
 25 vessel stricken from the Naval Vessel Register to any

1 State, Commonwealth, or possession of the United States
2 or any municipal corporation or political subdivision there-
3 of for use as an artificial reef as provided in subsection
4 (b).

5 “(b) VESSEL TO BE USED AS ARTIFICIAL REEF.—
6 An agreement for the transfer of a vessel under subsection
7 (a) shall require that—

8 “(1) the transferee use, site, construct, monitor,
9 and manage the vessel only as an artificial reef in
10 accordance with the requirements of the National
11 Fishing Enhancement Act of 1984 (33 U.S.C. 2101
12 et seq.), except that the transferee also may use the
13 artificial reef to enhance diving opportunities if that
14 use does not have an adverse effect on fishery re-
15 sources; and

16 “(2) the transferee shall obtain, and bear all of
17 the responsibility for complying with, all applicable
18 Federal, State, interstate, and local permits for
19 siting, constructing, monitoring, and managing a
20 vessel as an artificial reef.

21 “(c) ADDITIONAL TERMS.—The Secretary may re-
22 quire such additional terms in connection with a convey-
23 ance authorized by this section as the Secretary considers
24 appropriate.

9 “(f) DEFINITION.—In this section, the term ‘fishery
10 resources’ has the meaning given such term in section
11 3(14) of the Magnuson-Stevens Fishery Conservation and
12 Management Act of 1976 (16 U.S.C. 1802(14)).”.

“7306b. Vessels stricken from Naval Vessel Register: transfer by gift or otherwise for use as artificial reefs.”.

(a) ESTABLISHMENT OF PILOT PROGRAM.—The Secretary of the Navy may establish a pilot program, under which the Secretary of the Navy, subject to the availability of appropriations, may guarantee loans for—

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1 umented under the laws of the United States for use
2 in United States-flag commercial service; and

3 (2) the acquisition of facilities or equipment
4 pertaining to the marine operations of those ships,
5 which may include specialized loading equipment.

6 (b) CONDITIONS OF GUARANTEE.—A guarantee
7 under this section is subject to the following conditions:

8 (1) MSP.—The owner of the ships for which
9 guarantees are issued shall apply for an operating
10 agreement with the Secretary of Transportation
11 under subtitle B of title XXXV.

12 (2) NDF; CHARTER.—If the Secretary of the
13 Navy requests, the owner of the ships shall engage
14 in negotiations on reasonable terms and conditions
15 for—

16 (A) installation and maintenance of de-
17 fense features for national defense purposes on
18 one or both ships under section 2218 of title
19 10, United States Code; and

20 (B) a short-term charter to the United
21 States Government of at least one ship for
22 which a guarantee is issued, for a period of at
23 least 60 days prior to entry into commercial
24 service, for the purpose of demonstrating the
25 military capabilities of the ships.

1 (c) PAYMENT OF COST.—The cost of a guarantee
2 under this section shall be paid for with amounts made
3 available in appropriations Acts.

4 (d) PERCENTAGE LIMITATION; TERM.—A guarantee
5 under this section may apply—

6 (1) to up to 87.5 percent of the loan principal;
7 and

8 (2) for a term ending up to 25 years after deliv-
9 ery of the second ship.

10 (e) AUTHORITIES, PROCEDURES, REQUIREMENTS,
11 AND RESTRICTIONS.—The Secretary of the Navy, subject
12 to the other provisions of this section—

13 (1) in implementing this section, may exercise
14 authorities that are substantially the same as the
15 authorities available to the Secretary of Transpor-
16 tation under title XI of the Merchant Marine Act,
17 1936 (46 App. U.S.C. 1271 et seq.) with respect to
18 loan guarantees under that title;

19 (2) shall implement this section under proce-
20 dures, requirements, and restrictions that are sub-
21 stantially the same as those under which loan guar-
22 antees are made under that title, including the regu-
23 lations implementing that title; and

24 (3) may establish such additional requirements
25 for loan guarantees under this section as the Sec-

1 retary determines to be necessary to minimize the
2 cost of such guarantees.

3 (f) INTERAGENCY AGREEMENT.—The Secretary of
4 Transportation shall enter into an interagency agreement
5 or other appropriate arrangement with the Secretary of
6 the Navy to make available to the Department of the Navy
7 such Maritime Administration personnel with expertise in
8 vessel construction financing as are necessary to carry out
9 the program under this section.

10 (g) DEFINITIONS.—In this section:

11 (1) COST.—The term “cost”, with respect to a
12 loan guarantee under this section, has the meaning
13 given that term in section 502 of the Congressional
14 Budget and Impoundment Control Act of 1974 (2
15 U.S.C. 661a).

16 (2) QUALIFIED SEALIFT SHIP.—The term
17 “qualified sealift ship” means a roll-on, roll-off ves-
18 sel that is—

19 (A) militarily useful for additional
20 medium- to long-haul strategic sealift capacity;

21 (B) designed to carry at least 10,000 tons
22 of cargo; and

23 (C) capable of operating commercially in
24 the foreign commerce of the United States.

1 (h) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Secretary of the
3 Navy to carry out this section \$40,000,000.

4 **Subtitle C—Reports**

5 **SEC. 1021. REPEAL AND MODIFICATION OF VARIOUS RE-**
6 **PORTING REQUIREMENTS APPLICABLE TO**
7 **THE DEPARTMENT OF DEFENSE.**

8 (a) TITLE 10, UNITED STATES CODE.—Title 10,
9 United States Code, is amended as follows:

10 (1) Section 113 is amended by striking sub-
11 section (m).

12 (2) Section 117(e) is amended by striking “each
13 month” and all that follows through “subsection
14 (d)” and inserting “each quarter submit to the con-
15 gressional defense committees a report in writing
16 containing the results of the most recent joint readi-
17 ness review under subsection (d)(1)(A)”.

18 (3) Section 127(d) is amended to read as fol-
19 lows:

20 “(d) ANNUAL REPORT.—Not later than December 1
21 each year, the Secretary of Defense shall submit to the
22 congressional defense committees a report on expenditures
23 during the preceding fiscal year under subsections (a) and
24 (b).”.

25 (4) Section 127a is amended—

1 (A) in subsection (a)—

2 (i) by striking paragraph (3); and

3 (ii) by redesignating paragraph (4) as
4 paragraph (3); and

5 (B) by striking subsection (d).

6 (5) Section 128 is amended by striking sub-
7 section (d).

8 (6) Section 184 is amended by striking sub-
9 section (b).

10 (7) Section 226(a) is amended—

11 (A) by striking “December 15” and insert-
12 ing “January 15”; and

13 (B) by striking “in the following year” in
14 paragraph (1) and inserting “in that year”.

15 (8)(A) Section 228 is amended—

16 (i) in subsection (a)—

17 (I) by striking “MONTHLY” in the
18 subsection heading and inserting “QUAR-
19 TERLY”;

20 (II) by striking “monthly” and insert-
21 ing “quarterly”; and

22 (III) by striking “month” and insert-
23 ing “fiscal-year quarter”; and

24 (ii) in subsection (c), by striking “month”
25 each place it appears and inserting “quarter”.

1 (B)(i) The heading of such section is amended
2 to read as follows:

3 **“§ 228. Quarterly reports on allocation of funds with-**
4 **in operation and maintenance budget**
5 **subactivities”.**

6 (ii) The item relating to section 228 in the table
7 of sections at the beginning of chapter 9 is amended
8 to read as follows:

“228. Quarterly reports on allocation of funds within operation and maintenance
budget subactivities.”.

9 (9)(A) Section 484 is repealed.

10 (B) The table of sections at the beginning of
11 such chapter is amended by striking the item relat-
12 ing to section 484.

13 (10)(A) Section 520c is amended—

14 (i) by striking subsection (b);

15 (ii) by striking “(a) PROVISION OF MEALS
16 AND REFRESHMENTS.—”; and

17 (iii) by striking the heading for such sec-
18 tion and inserting the following:

19 **“§ 520c. Recruiting functions: provision of meals and**
20 **refreshments”.**

21 (B) The item relating to such section in the
22 table of sections at the beginning of chapter 31 is
23 amended to read as follows:

“520c. Recruiting functions: provision of meals and refreshments.”.

1 (11) Section 983(e)(1) is amended by striking
2 “and to Congress”.

3 (12) Section 1060 is amended by striking sub-
4 section (d).

5 (13) Section 1130 is amended—

6 (A) in subsection (a), by striking “the
7 other determinations necessary to comply with
8 subsection (b)” and inserting “respond with a
9 detailed description of the rationale supporting
10 the determination”; and

11 (B) by striking subsection (b).

12 (14) Section 1557 is amended by striking sub-
13 section (e).

14 (15) Section 1563 is amended—

15 (A) in subsection (a), by striking “the
16 other determinations necessary to comply with
17 subsection (b)” and inserting “respond with a
18 detailed description of the rationale supporting
19 the determination”; and

20 (B) by striking subsection (b).

21 (16) Section 2010 is amended by striking sub-
22 section (b).

23 (17) Section 2166 is amended—

1 (A) in subsection (e)(5), by inserting “and
2 to Congress” after “to the Secretary of De-
3 fense”; and

4 (B) by striking subsection (i).

5 (18) Section 2208(j)(2) is amended by striking
6 “and notifies Congress regarding the reasons for the
7 waiver”.

8 (19) Section 2216(i) is amended—

9 (A) by striking “QUARTERLY REPORTS.—

10 (1) Not later than 15 days after the end of
11 each calendar quarter” and inserting “ANNUAL
12 REPORT.—(1) Not later than 60 days after the
13 end of each fiscal year”; and

14 (B) by striking “quarter” in subpara-
15 graphs (A), (B), and (C) of paragraph (1) and
16 inserting “fiscal year”.

17 (20) Section 2224(e) is amended by inserting
18 “through 2007” after “Each year”.

19 (21) Section 2255(b)—

20 (A) by striking paragraph (2); and

21 (B) by striking “(1)” after “(b) EXCEP-
22 TION.—”.

23 (22) Section 2281 is amended by striking sub-
24 section (d).

25 (23)(A) Section 2282 is repealed.

1 (B) The table of sections at the beginning of
2 chapter 136 is amended by striking the item relating
3 to section 2282.

4 (24) Section 2323 is amended—

5 (A) in subsection (d)—

6 (i) by striking “Defense—” and all
7 that follows through “the extent” and in-
8 serting “Defense to the extent”;

9 (ii) by striking “; and” and inserting
10 a period; and

11 (iii) by striking paragraph (2); and

12 (B) by striking subsection (i).

13 (25) Section 2327(c)(1) is amended—

14 (A) in subparagraph (A), by striking
15 “after the date on which such head of an agen-
16 cy submits to Congress a report on the con-
17 tract” and inserting “if in the best interests of
18 the Government”;

19 (B) in subparagraph (B), by striking “A
20 report under subparagraph (A)” and inserting
21 “The Secretary shall maintain records of each
22 contract entered into by reason of subpara-
23 graph (A). Such records”; and

24 (C) by striking subparagraph (C).

1 (26) Section 2350j is amended by striking sub-
2 sections (e) and (g).

3 (27) Section 2367 is amended by striking sub-
4 section (d).

5 (28) Section 2371 is amended by striking sub-
6 section (h).

7 (29) Section 2374a is amended by striking sub-
8 section (e).

9 (30) Section 2410m(c) is amended—

10 (A) by striking “REPORTING REQUIRE-
11 MENT.—Each year” and inserting “ANNUAL
12 REPORT.—Not later than 60 days after the end
13 of each fiscal year”;

14 (B) by inserting “at the end of such fiscal
15 year” in paragraph (1) before the period;

16 (C) by striking “during the year preceding
17 the year in which the report is submitted” in
18 paragraph (2) and inserting “under this section
19 during that fiscal year”;

20 (D) by striking “in such preceding year”
21 in paragraph (3) and inserting “under this sec-
22 tion during that fiscal year”; and

23 (E) by striking “in such preceding year” in
24 paragraph (4) and inserting “under this section
25 during that fiscal year”.

1 (31) Section 2433 is amended—

2 (A) in subsection (d)—

3 (i) in paragraphs (1) and (2), by
4 striking “, or by at least 25 percent,”; and

5 (ii) in paragraph (3)—

6 (I) by striking “or by at least 25
7 percent,” both places it appears; and

8 (II) by inserting a comma after
9 “paragraph (1)”; and

10 (B) in subsection (e)—

11 (i) by striking paragraph (2);

12 (ii) by redesignating paragraph (3) as
13 paragraph (2);

14 (iii) in paragraph (2), as so redesign-
15 ated, by striking “or if a” in the first
16 sentence and all that follows through
17 “paragraph (2),”; and

18 (iv) by designating the second sen-
19 tence of such paragraph as paragraph (3)
20 and in that paragraph—

21 (I) by inserting “under para-
22 graph (2)” after “The prohibition”;
23 and

24 (II) by striking “the date—” and
25 all that follows through “subsection

1 (d).” and inserting “the date on which
2 Congress receives the Selected Acqui-
3 sition Report under paragraph (1)
4 with respect to that program.”.

5 (32) Section 2457 is amended by striking sub-
6 section (d).

7 (33) Section 2493 is amended by striking sub-
8 section (g).

9 (34) Section 2515 is amended by striking sub-
10 section (d).

11 (35) Section 2521 is amended by striking sub-
12 section (e).

13 (36) Section 2536 is amended—

14 (A) in subsection (b)(2)—

15 (i) by striking “notify Congress” in
16 the first sentence and inserting “maintain
17 a record”; and

18 (ii) by striking the second sentence
19 and inserting the following: “The records
20 maintained under the preceding sentence
21 with respect to a waiver shall include a jus-
22 tification in support of the decision to grant
23 the waiver and shall be retrievable for any
24 particular waiver or for waivers during any
25 period of time.”; and

1 (B) by adding at the end the following new
2 subsection:

3 “(d) The Secretary of Defense shall maintain an ac-
4 count of actions relating to the award of contracts to a
5 prime contractor. The Secretary of Defense shall include
6 in such accounts the reasons for exercising the awards and
7 the work expected to be performed.”.

8 (37) Section 2541d is amended—

9 (A) by striking subsection (b); and

10 (B) in subsection (a), by striking “(a)”
11 and all that follows through “The Secretary of
12 Defense” and inserting “The Secretary of De-
13 fense”.

14 (38) Section 2561 is amended by striking sub-
15 sections (c), (d) and (f).

16 (39) Section 2563(c)(2) is amended by striking
17 “and notifies Congress regarding the reasons for the
18 waiver”.

19 (40) Section 2645 is amended by striking sub-
20 sections (d) and (g).

21 (41) Section 2667a(c)(2) is amended by strik-
22 ing “45 days” and inserting “14 days”.

23 (42) Section 2676(d) is amended by striking
24 “21 days” and inserting “14 days”.

1 (43) Section 2680 is amended by striking sub-
2 section (e).

3 (44) Section 2696 is amended by striking sub-
4 sections (c) and (d).

5 (45) Section 2703(c)(2) is amended—

6 (A) by striking subparagraph (B);

7 (B) by striking “unless the Secretary—”
8 and all that follows through “determines that”
9 and inserting “unless the Secretary determines
10 that”; and

11 (C) by redesignating clauses (i), (ii), and
12 (iii) as subparagraphs (A), (B), and (C), re-
13 spectively, and realigning such subparagraphs
14 (as so redesignated) two ems from the left mar-
15 gin.

16 (46)(A) Section 2723 is repealed.

17 (B) The table of sections at the beginning of
18 chapter 161 is amended by striking the item relating
19 to section 2723.

20 (47) Section 2803(b) is amended by striking
21 “21-day period” and inserting “seven-day period”.

22 (48) Section 2804(b) is amended by striking
23 “21-day period” and inserting “14-day period”.

24 (49) Section 2805(b) is amended—

1 (A) in paragraph (1), by striking
2 “\$750,000” and inserting “\$1,000,000”; and

3 (B) in paragraph (2), by striking “21-day
4 period” and inserting “seven-day period”.

5 (50) Section 2807 is amended—

6 (A) in subsection (b)—

7 (i) by striking “\$500,000” and insert-
8 ing “\$1,000,000”; and

9 (ii) by striking “not less than 21
10 days”; and

11 (B) in subsection (c)(2), by striking “21
12 days” and inserting “14 days”.

13 (51) Section 2809(f)(2) is amended by striking
14 “21 calendar days” and inserting “14 days”.

15 (52) Section 2812(c)(1)(B) is amended by
16 striking “21 days” and inserting “14 days”.

17 (53) Section 2813(c) is amended by striking
18 “30-day period” and inserting “21-day period”.

19 (54) Section 2825 is amended—

20 (A) by striking “21 days” in the last sen-
21 tence of subsection (b)(1)(B) and inserting “14
22 days”; and

23 (B) by striking “21 days” in subsection
24 (c)(1)(D) and inserting “14 days”.

25 (55) Section 2826 is amended—

1 (A) by striking “(a) LOCAL COM-
2 PARABILITY.—”; and

3 (B) by striking subsection (b).

4 (56) Section 2827(b)(2) is amended by striking
5 “21 days” and inserting “14 days”.

6 (57) Section 2836(f)(2) is amended by striking
7 “21 calendar days” and inserting “14 days”.

8 (58) Section 2837(c)(2) is amended by striking
9 “21-day period” and inserting “14-day period”.

10 (59) Section 2854(b) is amended by striking
11 “21-day period” and inserting “seven-day period”.

12 (60) Section 2854a(c)(2) is amended by strik-
13 ing “21 calendar days” and inserting “14 days”.

14 (61) Section 2865 is amended—

15 (A) in subsection (e)—

16 (i) by striking “(1)” before “The Sec-
17 retary”; and

18 (ii) by striking paragraph (2); and

19 (B) by striking subsection (f).

20 (62) Section 2866(c) is amended—

21 (A) by striking “(1)” before “The Sec-
22 retary”; and

23 (B) by striking paragraph (2).

24 (63) Section 2867(c) is amended by striking
25 “21-day period” and inserting “14-day period”.

1 (64) Section 2875(e) is amended by striking
2 “30-day period” and inserting “14-day period”.

3 (65) Section 2883(f) is amended by striking
4 “30-day period” and inserting “14-day period”.

5 (66) Section 2902(g) is amended—

6 (A) by striking paragraph (2); and

7 (B) by striking “(1)” after “(g)”.

8 (67) Section 4342(h) is amended by striking
9 “Secretary of the Army” and inserting “Super-
10 intendent”.

11 (68) Section 4357(c) is amended is amended by
12 striking “the expiration of 30 days following”.

13 (69) Section 6954(f) is amended by striking
14 “Secretary of the Navy” and inserting “Super-
15 intendent of the Naval Academy”.

16 (70) Section 6975(c) is amended is amended by
17 striking “the expiration of 30 days following”.

18 (71) Section 7049(c) is amended—

19 (A) by striking “CERTIFICATION” in the
20 subsection heading and inserting “DETERMINA-
21 TION”; and

22 (B) by striking “, and certifies to” and all
23 that follows through “House of Representa-
24 tives,”.

1 (72) Section 9342(h) is amended by striking
2 “Secretary of the Air Force” and inserting “Super-
3 intendent”.

4 (73) Section 9356(c) is amended is amended by
5 striking “the expiration of 30 days following”.

6 (74) Section 12302—

7 (A) in subsection (b), by striking the last
8 sentence; and

9 (B) by striking subsection (d).

10 (75)(A) Section 16137 is repealed.

11 (B) The table of sections at the beginning of
12 chapter 1606 is amended by striking the item relat-
13 ing to section 16137.

14 (b) NATIONAL DEFENSE AUTHORIZATION ACT FOR
15 FISCAL YEAR 1991.—Part B of title XXIX of the Na-
16 tional Defense Authorization Act for Fiscal Year 1991
17 (Public Law 101–510; 10 U.S.C. 2687 note) is amended
18 as follows:

19 (1) Section 2921 is amended—

20 (A) in subsection (f)(1), by striking “30
21 days” and inserting “14 days”; and

22 (B) in subsection (g), by striking “30
23 days” in paragraphs (1) and (2) and inserting
24 “14 days”.

1 (2) Section 2926 is amended by striking sub-
2 section (g).

3 (c) NATIONAL DEFENSE AUTHORIZATION ACT FOR
4 FISCAL YEARS 1992 AND 1993.—The National Defense
5 Authorization Act for Fiscal Years 1992 and 1993 (Public
6 Law 102–190) is amended as follows:

7 (1) Section 734 (10 U.S.C. 1074 note) is
8 amended by striking subsection (c).

9 (2) Section 2868(a) (10 U.S.C. 2802 note) is
10 amended by striking “The Secretary of Defense”
11 and all that follows through “is to be authorized”
12 and inserting “Not later than 30 days after the date
13 on which a decision is made selecting the site or
14 sites for the permanent basing of a new weapon sys-
15 tem, the Secretary of Defense shall submit to Con-
16 gress”.

17 (d) NATIONAL DEFENSE AUTHORIZATION ACT FOR
18 FISCAL YEAR 1993.—The National Defense Authoriza-
19 tion Act for Fiscal Year 1993 (Public Law 102–484) is
20 amended as follows:

21 (1) Section 324 (10 U.S.C. 2701 note) is
22 amended—

23 (A) by striking “(a) SENSE OF CON-
24 GRESS.—”; and

25 (B) by striking subsection (b).

1 (2) Section 1082(b)(1) (10 U.S.C. 113 note) is
2 amended by striking “the Secretary of Defense—”
3 and all that follows and inserting “the Secretary of
4 Defense determines that it is in the national security
5 interests of the United States for the military de-
6 partments to do so.”.

7 (e) NATIONAL DEFENSE AUTHORIZATION ACT FOR
8 FISCAL YEAR 1995.—Section 721 of the National Defense
9 Authorization Act for Fiscal Year 1995 (Public Law 103–
10 337; 10 U.S.C. 1074 note) is amended by striking sub-
11 section (h).

12 (f) NATIONAL DEFENSE AUTHORIZATION ACT FOR
13 FISCAL YEAR 1997.—The National Defense Authoriza-
14 tion Act for Fiscal Year 1997 (Public Law 104–201) is
15 amended as follows:

16 (1) Section 324 (10 U.S.C. 2706 note) is
17 amended by striking subsection (c).

18 (2) Section 1065(b) (10 U.S.C. 113 note) is
19 amended—

20 (A) by striking “(1)” before “Notwith-
21 standing”; and

22 (B) by striking paragraph (2).

23 (g) DEPARTMENT OF DEFENSE APPROPRIATIONS
24 ACT, 1997.—Section 8009 of the Department of Defense
25 Appropriations Act, 1997 (as contained in section 101(b)

1 of Public Law 104–208; 110 Stat. 3009-89), is amended
2 by striking “, unless the congressional defense committees
3 have been notified at least thirty days in advance of the
4 proposed contract award”.

5 (h) NATIONAL DEFENSE AUTHORIZATION ACT FOR
6 FISCAL YEAR 1998.— Section 349 of the National De-
7 fense Authorization Act for Fiscal Year 1998 (Public Law
8 105–85; 10 U.S.C. 2702 note) is amended by striking sub-
9 section (e).

10 (i) STROM THURMOND NATIONAL DEFENSE AU-
11 THORIZATION ACT FOR FISCAL YEAR 1999.—The Strom
12 Thurmond National Defense Authorization Act for Fiscal
13 Year 1999 (Public Law 105–261) is amended as follows:

14 (1) Section 745(e) (10 U.S.C. 1071 note) is
15 amended—

16 (A) by striking “(1)” before “The Sec-
17 retary of Defense”; and

18 (B) by striking paragraph (2).

19 (2) Section 1223 (22 U.S.C. 1928 note) is re-
20 pealed.

21 (j) NATIONAL DEFENSE AUTHORIZATION ACT FOR
22 FISCAL YEAR 2000.—The National Defense Authoriza-
23 tion Act for Fiscal Year 2000 (Public Law 106–65) is
24 amended as follows:

1 (1) Section 212 (10 U.S.C. 2501 note) is
2 amended by striking subsection (c).

3 (2) Section 724 (10 U.S.C. 1092 note) is
4 amended by striking subsection (e).

5 (4) Section 1039 (10 U.S.C. 113 note) is
6 amended by striking subsection (b).

7 (k) MILITARY CONSTRUCTION APPROPRIATIONS ACT,
8 2001.—Section 125 of the Military Construction Approp-
9 riations Act, 2001 (division A of Public Law 106–246;
10 114 Stat. 517), is repealed.

11 (l) DEPARTMENT OF DEFENSE APPROPRIATIONS
12 ACT, 2001.—Section 8019 of the Department of Defense
13 Appropriations Act, 2001 (Public Law 106–259; 114 Stat.
14 678; 10 U.S.C. 2687 note), is amended by striking “of
15 Congress:” and all that follows through “this provision”
16 and inserting “of Congress”.

17 (m) FLOYD D. SPENCE NATIONAL DEFENSE AU-
18 THORIZATION ACT FOR FISCAL YEAR 2001.—Section
19 1006 of the Floyd D. Spence National Defense Authoriza-
20 tion Act for Fiscal Year 2001 (as enacted into law by Pub-
21 lic Law 106–398; 114 Stat. 1654A–247; 10 U.S.C. 2226
22 note), is amended by striking subsection (c).

23 (n) DEPARTMENT OF DEFENSE APPROPRIATIONS
24 ACT, 2002.—Section 8009 of the Department of Defense
25 Appropriations Act, 2002 (division A of Public Law 107–

1 117; 115 Stat. 2249; 10 U.S.C. 401 note), is amended
2 by striking “, and these obligations shall be reported to
3 the Congress”.

4 **SEC. 1022. REPORT ON OPERATION IRAQI FREEDOM.**

5 (a) REPORT REQUIRED.—Not later than June 15,
6 2004, the Secretary of Defense shall submit to the Com-
7 mittee on Armed Services of the Senate and the Com-
8 mittee on Armed Services of the House of Representatives
9 a report on Operation Iraqi Freedom. The Secretary shall
10 submit to those committees a preliminary report on the
11 conduct of those hostilities not later than January 15,
12 2004.

13 (b) DISCUSSION OF ACCOMPLISHMENTS AND SHORT-
14 COMINGS.—The report (and the preliminary report, to the
15 extent feasible) shall contain a discussion, with a par-
16 ticular emphasis on accomplishments and shortcomings, of
17 the following matters:

18 (1) The military objectives of the multinational
19 coalition.

20 (2) The military strategy of the multinational
21 coalition to achieve those military objectives and how
22 the military strategy contributed to the achievement
23 of those objectives.

24 (3) The deployment of United States forces and
25 the transportation of supplies to the theater of oper-

1 ations, including an assessment of airlift, sealift,
2 afloat prepositioning ships, and Maritime
3 Prepositioning Squadron ships.

4 (4) The conduct of military operations.

5 (5) The use of special operations forces, includ-
6 ing operational and intelligence uses classified under
7 special access procedures.

8 (6) The use and performance of United States
9 military equipment, weapon systems, and munitions
10 (including items classified under special access pro-
11 cedures) and an analysis of—

12 (A) any equipment or capabilities that
13 were in research and development and if avail-
14 able could have been used in the theater of op-
15 erations; and

16 (B) any equipment or capabilities that
17 were available and could have been used but
18 were not introduced into the theater of oper-
19 ations.

20 (7) The scope of logistics support, including
21 support from other nations.

22 (8) The acquisition policies and processes used
23 to support the forces in the theater of operations.

24 (9) The personnel management actions taken to
25 support the forces in the theater of operations.

1 (10) The effectiveness of reserve component
2 forces, including a discussion of each of the following
3 matters:

4 (A) The readiness and activation of such
5 forces.

6 (B) The decisionmaking process regarding
7 both activation of reserve component forces and
8 deployment of those forces to the theater of op-
9 erations.

10 (C) The post-activation training received
11 by such forces.

12 (D) The integration of forces and equip-
13 ment of reserve component forces into the ac-
14 tive component forces.

15 (E) The use and performance of the re-
16 serve component forces in operations in the the-
17 ater of operations.

18 (F) The use and performance of such
19 forces at duty stations outside the theater of
20 operations.

21 (11) The role of the law of armed conflict in
22 the planning and execution of military operations by
23 United States forces and the other coalition forces
24 and the effects on operations of Iraqi compliance or
25 noncompliance with the law of armed conflict, in-

1 including a discussion regarding each of the following
2 matters:

3 (A) Use of Iraqi civilians as human
4 shields.

5 (B) Collateral damage and civilian casual-
6 ties.

7 (C) Treatment of prisoners of war.

8 (D) Repatriation of prisoners of war.

9 (E) Use of ruses and acts of perfidy.

10 (F) War crimes.

11 (G) Environmental terrorism.

12 (H) Conduct of neutral nations.

13 (12) The actions taken by the coalition forces
14 in anticipation of, and in response to, Iraqi acts of
15 environmental terrorism.

16 (13) The actions taken by the coalition forces
17 in anticipation of possible Iraqi use of weapons of
18 mass destruction.

19 (14) Evidence of Iraqi weapons of mass de-
20 struction programs and Iraqi preparations for the
21 use of such weapons.

22 (15) The contributions of United States and co-
23 alition intelligence and counterintelligence systems
24 and personnel, including contributions regarding
25 bomb damage assessments and particularly including

1 United States tactical intelligence and related activi-
2 ties (TIARA) programs and the Joint Military Intel-
3 ligence Program (JMIP).

4 (16) Command, control, communications, and
5 operational security of the coalition forces as a
6 whole, and command, control, communications, and
7 operational security of the United States forces.

8 (17) The rules of engagement for the coalition
9 forces.

10 (18) The actions taken to reduce the casualties
11 among coalition forces caused by the fire of such
12 forces.

13 (19) The role of supporting combatant com-
14 mands and Defense Agencies of the Department of
15 Defense.

16 (20) The policies and procedures relating to the
17 media, including the use of embedded media.

18 (21) The assignment of roles and missions to
19 the United States forces and other coalition forces
20 and the performance of those forces in carrying out
21 their assigned roles and missions.

22 (22) The preparedness, including doctrine and
23 training, of the United States forces.

24 (23) The acquisition of foreign military tech-
25 nology from Iraq, and any compromise of military

1 technology of the United States or other countries in
2 the multinational coalition.

3 (24) The problems posed by Iraqi possession
4 and use of equipment produced in the United States
5 and other coalition nations.

6 (25) The use of deception by Iraqi forces and
7 by coalition forces.

8 (26) The military criteria used to determine
9 when to progress from one phase of military oper-
10 ations to another phase of military operations.

11 (27) The role, if any, of the Status of Re-
12 sources and Training System (SORTS) in deter-
13 mining which units would be employed during the
14 operation.

15 (28) The role of the Coast Guard.

16 (29) The direct and indirect cost of military op-
17 erations, including an assessment of the total incre-
18 mental expenditures made by the Department of De-
19 fense as a result of Operation Iraqi Freedom.

20 (c) CASUALTY STATISTICS.—The report (and the pre-
21 liminary report, to the extent feasible) shall also contain—

22 (1) the number of military and civilian casual-
23 ties sustained by coalition nations; and

1 (2) estimates of such casualties sustained by
2 Iraq and by nations not directly participating in hos-
3 tilities during Operation Iraqi Freedom.

4 (d) CLASSIFICATION OF REPORTS.—The Secretary of
5 Defense shall submit both the report and the preliminary
6 report in a classified form and an unclassified form.

7 **SEC. 1023. REPORT ON DEPARTMENT OF DEFENSE POST-**
8 **CONFLICT ACTIVITIES IN IRAQ.**

9 (a) REPORT REQUIRED.—Not later than 90 days
10 after the date of the enactment of this Act, the Secretary
11 of Defense shall submit to Congress a report on the activi-
12 ties of the Department of Defense in post-conflict Iraq.

13 (b) REPORT ELEMENTS.—The report shall discuss
14 the range of infrastructure reconstruction, civil adminis-
15 tration, humanitarian assistance, interim governance, and
16 political development activities undertaken in Iraq by offi-
17 cials of the Department and by those civilians reporting
18 to the Secretary of Defense and the missions undertaken
19 in Iraq by United States military forces during the post-
20 conflict period. In particular, the report shall include a
21 discussion of the following:

22 (1) The evolution of the organizational struc-
23 ture of the civilian groups reporting to the Sec-
24 retary, including the Office of Reconstruction and
25 Humanitarian Assistance, on issues of Iraqi post-

1 conflict administration and reconstruction and the
2 factors influencing that evolution.

3 (2) The relationship of the Department of De-
4 fense with other United States departments and
5 agencies involved in post-conflict administration and
6 reconstruction planning and execution in Iraq.

7 (3) The relationship of Department of Defense
8 entities, including the Office of Reconstruction and
9 Humanitarian Assistance, with intergovernmental
10 and nongovernmental organizations contributing to
11 the reconstruction and governance efforts.

12 (4) Progress made to the date of the report
13 in—

14 (A) rebuilding Iraqi infrastructure;

15 (B) providing for the humanitarian needs
16 of the Iraqi people;

17 (C) reconstituting the Iraqi governmental
18 bureaucracy and its provision of services; and

19 (D) developing mechanisms of fully
20 transitioning Iraq to representative self-govern-
21 ment.

22 (5) Progress made to the date of the report by
23 Department of Defense civilians and military per-
24 sonnel in accounting for any Iraqi weapons of mass
25 destruction and associated weapons capabilities.

1 (6) Progress made to the date of the report by
2 United States military personnel in providing secu-
3 rity in Iraq and in transferring security functions to
4 a reconstituted Iraqi police force and military.

5 (7) The Secretary's assessment of the scope of
6 the ongoing needed commitment of United States
7 military forces and of the remaining tasks to be
8 completed by Department of Defense civilian per-
9 sonnel in the governance and reconstruction areas,
10 including an estimate of the total expenditures the
11 Department of Defense expects to make for activi-
12 ties in post-conflict Iraq.

13 **SEC. 1024. REPORT ON DEVELOPMENT OF MECHANISMS TO**
14 **BETTER CONNECT DEPARTMENT OF DE-**
15 **FENSE SPACE CAPABILITIES TO THE WAR**
16 **FIGHTER.**

17 Not later than March 15, 2004, the Secretary of De-
18 fense shall submit to the congressional defense committees
19 a report on development and implementation of systematic
20 mechanisms to provide for integrating into activities of the
21 United States Strategic Command planning and require-
22 ments for connecting space capabilities of that command
23 with the war fighter.

1 **Subtitle D—Procurement of De-**
2 **fense Biomedical Counter-**
3 **measures**

4 **SEC. 1031. RESEARCH AND DEVELOPMENT OF DEFENSE**
5 **BIOMEDICAL COUNTERMEASURES.**

6 (a) IN GENERAL.—The Secretary of Defense (in this
7 section referred to as the “Secretary”) shall carry out a
8 program to accelerate the research, development and pro-
9 curement of biomedical countermeasures, including but
10 not limited to therapeutics and vaccines, for the protection
11 of the Armed Forces from attack by one or more biologi-
12 cal, chemical, radiological, or nuclear agents.

13 (b) INTERAGENCY COOPERATION.—(1) In carrying
14 out the program under subsection (a), the Secretary may
15 enter into interagency agreements and other collaborative
16 undertakings with other Federal agencies. Under such
17 agreements and undertakings, the participating agencies
18 are authorized to provide funds and receive funds from
19 other participating agencies.

20 (2) The Secretary, in consultation with the Secretary
21 of Health and Human Services and the Secretary of
22 Homeland Security, shall ensure that the activities of the
23 Department of Defense in carrying out the program are
24 coordinated with, complement, and do not unnecessarily
25 duplicate activities of the Department of Health and

1 Human Services or the Department of Homeland Secu-
2 rity.

3 (c) EXPEDITED PROCUREMENT AUTHORITY.—(1)(A)
4 For any procurement by the Secretary, of property or
5 services for use (as determined by the Secretary) in per-
6 forming, administering, or supporting biomedical counter-
7 measures research or development, the amount specified
8 in section 4(11) of the Office of Federal Procurement Pol-
9 icy Act (41 U.S.C. 403(11)), as applicable pursuant to
10 section 302A(a) of the Federal Property and Administra-
11 tive Services Act of 1949 (41 U.S.C. 252a(a)), shall be
12 deemed to be \$25,000,000 in the administration, with re-
13 spect to such procurement, of sections 302A(b) (41 U.S.C.
14 252a(b)) and 303(g)(1)(A) (42 U.S.C. 253(g)(1)(A)) of
15 the Federal Property and Administrative Services Act of
16 1949 and the regulations implementing those sections.

17 (B) The Secretary shall institute appropriate internal
18 controls for use of the authority under subparagraph (A),
19 including requirements for documenting the justification
20 for each use of such authority.

21 (2)(A) For a procurement described in paragraph
22 (1), the amount specified in subsections (c), (d), and (f)
23 of section 32 of the Office of Federal Procurement Policy
24 Act (41 U.S.C. 428) shall be deemed to be \$15,000 in

1 the administration of that section with respect to such
2 procurement.

3 (B) The Secretary shall institute appropriate internal
4 controls for each use of the authority under subparagraph
5 (A) for a procurement greater than \$2,500.

6 (d) FACILITIES AUTHORITY.—(1) The Secretary may
7 acquire, lease, construct, improve, renovate, remodel, re-
8 pair, operate, and maintain laboratories, other research fa-
9 cilities and equipment, and other real or personal property
10 that the Secretary determines necessary for carrying out
11 the program under this section. The authority under this
12 paragraph is in addition to any other authority under law.

13 (2) Nothing in this section shall be construed to au-
14 thorize the Secretary to acquire, lease, construct, improve,
15 renovate, remodel, repair, operate, or maintain facilities
16 having general utility.

17 (e) AUTHORITY FOR PERSONAL SERVICES CON-
18 TRACTS.—The authority provided by section 1091 of title
19 10, United States Code, for personal services contracts to
20 carry out health care responsibilities in medical treatment
21 facilities of the Department of Defense shall also be avail-
22 able, subject to the same terms and conditions, for per-
23 sonal services contracts to carry out research and develop-
24 ment activities under this section. The number of individ-

1 uals whose personal services are obtained under this sub-
2 section may not exceed 30 at any time.

3 (f) STREAMLINED PERSONNEL AUTHORITY.—(1)
4 Without regard to any provision of title 5, United States
5 Code, governing appointments in the competitive service,
6 and without regard to any provision of chapter 51, or sub-
7 chapter III of chapter 43, of such title relating to classi-
8 fication and General Schedule pay rates, the Secretary
9 may appoint professional and technical employees, not to
10 exceed 30 such employees at any time, to positions in the
11 Department of Defense to carry out research and develop-
12 ment under the program under this section. The authority
13 under this paragraph is in addition to any other authority
14 under law.

15 (2) The Secretary may use the authority under para-
16 graph (1) only upon a determination by the Secretary that
17 use of such authority is necessary to accelerate the re-
18 search and development under the program.

19 (3) The Secretary shall institute appropriate internal
20 controls for each use of the authority under paragraph (1).

21 **SEC. 1032. PROCUREMENT OF DEFENSE BIOMEDICAL**
22 **COUNTERMEASURES.**

23 (a) DETERMINATION OF MATERIAL THREATS.—(1)
24 The Secretary of Defense (in this section referred to as
25 the “Secretary”), in consultation with the Secretary of

1 Health and Human Services and the Secretary of Home-
2 land Security shall on an ongoing basis—

3 (A) assess current and emerging threats of use
4 of biological, chemical, radiological, and nuclear
5 agents; and

6 (B) identify, on the basis of such assessment,
7 those agents that present a material risk of use
8 against the Armed Forces.

9 (2) The Secretary, in consultation with the Secretary
10 of Health and Human Services and the Secretary of
11 Homeland Security, shall on an ongoing basis—

12 (A) assess the potential consequences to the
13 health of members of the Armed Forces of use
14 against the Armed Forces of the agents identified
15 under paragraph (1)(B); and

16 (B) identify, on the basis of such assessment,
17 those agents for which countermeasures are nec-
18 essary to protect the health of members of the
19 Armed Forces.

20 (b) ASSESSMENT OF AVAILABILITY AND APPRO-
21 PRIATENESS OF COUNTERMEASURES.—The Secretary, in
22 consultation with the Secretary of Health and Human
23 Services and the Secretary of Homeland Security, shall on
24 an ongoing basis assess the availability and appropriate-

1 ness of specific countermeasures to address specific
2 threats identified under subsection (a).

3 (c) SECRETARY'S DETERMINATION OF COUNTER-
4 MEASURES APPROPRIATE FOR PROCUREMENT.—(1) The
5 Secretary, in accordance with paragraph (2), shall on an
6 ongoing basis identify specific countermeasures that the
7 Secretary determines to be appropriate for procurement
8 for the Department of Defense stockpile of biomedical
9 countermeasures.

10 (2) The Secretary may not identify a specific counter-
11 measure under paragraph (1) unless the Secretary deter-
12 mines that—

13 (A) the countermeasure is a qualified counter-
14 measure; and

15 (B) it is reasonable to expect that producing
16 and delivering, within 5 years, the quantity of that
17 countermeasure required to meet the needs of the
18 Department (as determined by the Secretary) is fea-
19 sible.

20 (d) DEFINITIONS.—In this section:

21 (1) The term “qualified countermeasure”
22 means a biomedical countermeasure—

23 (A) that is approved under section 505(a)
24 of the Federal Food, Drug, and Cosmetic Act
25 (21 U.S.C. 355) or licensed under section 351

1 of the Public Health Service Act (42 U.S.C.
2 262), or that is approved under section 515 or
3 cleared under section 510(k) of the Federal
4 Food, Drug, and Cosmetic Act (21 U.S.C. 360e
5 and 360) for use as such a countermeasure to
6 a biological, chemical, radiological, or nuclear
7 agent identified as a material threat under sub-
8 section (a); or

9 (B) with respect to which the Secretary, in
10 consultation with the Secretary of Health and
11 Human Services, makes a determination that
12 sufficient and satisfactory clinical experience or
13 research data (including data, if available, from
14 preclinical and clinical trials) exists to support
15 a reasonable conclusion that the product will,
16 not later than 5 years after the date on which
17 the Secretary identifies the product under sub-
18 section (c)(1), qualify for such approval or li-
19 censing for use as such a countermeasure.

20 (2) The term “biomedical countermeasure”
21 means a drug (as defined in section 201(g)(1) of the
22 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
23 321(g)(1))), device (as defined in section 201(h) of
24 the Federal Food, Drug, and Cosmetic Act (21
25 U.S.C. 321(h))), or biological product (as defined in

1 section 351(i) of the Public Health Service Act (42
2 U.S.C. 262(i)) that is—

3 (A) used to treat, identify, or prevent harm
4 from any biological, chemical, radiological, or
5 nuclear agent that may cause a military health
6 emergency affecting the Armed Forces; or

7 (B) used to treat, identify, or prevent
8 harm from a condition that may result in ad-
9 verse health consequences or death and may be
10 caused by administering a drug or biological
11 product that is used as described in subpara-
12 graph (A).

13 (e) FUNDING.—(1) Of the amount authorized to be
14 appropriated for the Department of Defense and available
15 within the transfer authority established under section
16 1001 of this Act for fiscal year 2004 and for each fiscal
17 year thereafter, such sums are authorized as may be nec-
18 essary for the costs incurred by the Secretary in the pro-
19 curement of countermeasures under this section, subject
20 to paragraph (2).

21 (2) Amounts authorized to be appropriated under
22 paragraph (1) shall not be available to pay—

23 (A) costs for the purchase of vaccines under
24 procurement contracts entered into before January
25 1, 2003;

1 (B) costs under new contracts, or costs of new
2 obligations under contracts previously entered into,
3 for procurement of a countermeasure after the date
4 of a determination under subsection (c)(2)(D) that
5 the countermeasure does have a significant commer-
6 cial market other than as a biomedical counter-
7 measure; or

8 (C) administrative costs.

9 **SEC. 1033. AUTHORIZATION FOR USE OF MEDICAL PROD-**
10 **UCTS IN EMERGENCIES.**

11 (a) USE OF MEDICAL PRODUCTS AUTHORIZED.—
12 During the period in which a declaration of emergency
13 under subsection (b) is in effect, the Secretary of Defense,
14 in accordance with this section, may authorize the use on
15 members of the Armed Forces of a drug or device intended
16 solely for use in an actual or potential emergency.

17 (b) DECLARATION OF EMERGENCY.—(1) A declara-
18 tion of emergency referred to in subsection (a) is a dec-
19 laration by the Secretary of Defense that there exists a
20 military emergency, or a significant potential for a mili-
21 tary emergency, involving a heightened risk to the Armed
22 Forces of attack by one or more biological, chemical, radi-
23 ological, or nuclear agents.

24 (2) Subject to paragraph (3), the period during which
25 a declaration of emergency under this subsection is in ef-

1 fect begins upon the making of the declaration and ends
2 upon the first to occur of the following events:

3 (A) The making of a determination by the Sec-
4 retary that the military emergency, or the significant
5 potential for a military emergency, has ceased to
6 exist.

7 (B) The expiration of the one-year period begin-
8 ning on the date on which the declaration of emer-
9 gency is made.

10 (3) Before the expiration of the period during which
11 a declaration of emergency is in effect, the Secretary may
12 declare one or more extensions of that declaration of emer-
13 gency. In such a case, the date on which the most recent
14 extension was declared shall be treated for purposes of
15 subsection (2)(B) as the date on which the declaration of
16 emergency is made.

17 (c) CRITERIA FOR ISSUANCE OF AUTHORIZATION.—
18 The Secretary, in consultation with the Secretary of
19 Health and Human Services, may use the authority under
20 subsection (a) with respect to a biomedical counter-
21 measure only if the Secretary make a determination
22 that—

23 (1) an agent to which a declaration of emer-
24 gency under subsection (b) relates can cause a seri-
25 ous or life-threatening disease or condition;

1 (2) based on the totality of scientific evidence
2 available to the Secretary, including data from ade-
3 quate and well-controlled clinical trials, if available,
4 it is reasonable to believe that—

5 (A) such countermeasure may be effective
6 in detecting, diagnosing, treating, or preventing
7 such disease or condition; or

8 (B) the known and potential benefits of
9 such countermeasure, when used to detect, di-
10 agnose, treat, or prevent such disease or condi-
11 tion, outweigh the known and potential risks of
12 such countermeasure;

13 (3) no adequate, approved, and available alter-
14 native exists to such countermeasure for detecting,
15 diagnosing, treating, or preventing such disease or
16 condition; and

17 (4) such other criteria as the Secretary may by
18 regulation prescribe are satisfied.

19 (d) SCOPE OF AUTHORIZATION.—For each use of the
20 authority under subsection (a), the Secretary, in consulta-
21 tion with the Secretary of Health and Human Services,
22 shall—

23 (1) specify each disease or condition that the bi-
24 ological countermeasure may be used to detect, diag-
25 nose, treat, or prevent; and

1 (2) set forth each determination under sub-
 2 section (c) with respect to that countermeasure and
 3 the basis for each such determination.

4 (e) CONDITION.—In carrying out this section, the
 5 Secretary shall ensure compliance with section 1107 of
 6 title 10, United States Code, and section 731(a)(3) of the
 7 Strom Thurmond National Defense Authorization Act for
 8 Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2071;
 9 10 U.S.C. 1107 note).

10 **Subtitle E—Other Matters**

11 **SEC. 1041. CODIFICATION AND REVISION OF DEFENSE** 12 **COUNTERINTELLIGENCE POLYGRAPH PRO-** 13 **GRAM AUTHORITY.**

14 (a) CODIFICATION.—(1) Chapter 21 of title 10,
 15 United States Code, is amended by inserting at the end
 16 of subchapter I (after the section added by section
 17 805(b)(1) of this Act) the following new section:

18 **“§ 427. Counterintelligence polygraph program**

19 “(a) AUTHORITY FOR PROGRAM.—The Secretary of
 20 Defense may carry out a program for the administration
 21 of counterintelligence polygraph examinations to persons
 22 described in subsection (b). The program shall be based
 23 on Department of Defense Directive 5210.48, dated De-
 24 cember 24, 1984.

1 “(b) PERSONS COVERED.—Except as provided in
2 subsection (c), the following persons whose duties involve
3 access to information that has been classified at the level
4 of top secret or designated as being within a special access
5 program under section 4.4(a) of Executive Order 12958
6 (or a successor Executive order) are subject to this sec-
7 tion:

8 “(1) Military and civilian personnel of the De-
9 partment of Defense.

10 “(2) Personnel of defense contractors.

11 “(3) A person assigned or detailed to the De-
12 partment of Defense.

13 “(4) An applicant for a position in the Depart-
14 ment of Defense.

15 “(c) EXCEPTIONS FROM COVERAGE FOR CERTAIN
16 INTELLIGENCE AGENCIES AND FUNCTIONS.—This section
17 does not apply to the following persons:

18 “(1) A person assigned or detailed to the Cen-
19 tral Intelligence Agency or to an expert or consult-
20 ant under a contract with the Central Intelligence
21 Agency.

22 “(2) A person who is—

23 “(A) employed by or assigned or detailed
24 to the National Security Agency;

1 “(B) an expert or consultant under con-
2 tract to the National Security Agency;

3 “(C) an employee of a contractor of the
4 National Security Agency; or

5 “(D) a person applying for a position in
6 the National Security Agency.

7 “(3) A person assigned to a space where sen-
8 sitive cryptographic information is produced, proc-
9 essed, or stored.

10 “(4) A person employed by, or assigned or de-
11 tailed to, an office within the Department of Defense
12 for the collection of specialized national foreign intel-
13 ligence through reconnaissance programs or a con-
14 tractor of such an office.

15 “(d) OVERSIGHT.—(1) The Secretary shall establish
16 a process to monitor responsible and effective application
17 of polygraphs within the Department of Defense.

18 “(2) The Secretary shall make information on the use
19 of polygraphs within the Department of Defense available
20 to the congressional defense committees.

21 “(e) POLYGRAPH RESEARCH PROGRAM.—The Sec-
22 retary of Defense shall carry out a continuing research
23 program to support the polygraph activities of the Depart-
24 ment of Defense. The program shall include—

1 “(1) an on-going evaluation of the validity of
2 polygraph techniques used by the Department;

3 “(2) research on polygraph countermeasures
4 and anti-countermeasures; and

5 “(3) developmental research on polygraph tech-
6 niques, instrumentation, and analytic methods.”.

7 (2) The table of sections at the beginning of sub-
8 chapter I of such chapter is amended by adding at the
9 end (after the item added by section 805(b)(2) of this Act)
10 the following new item:

 “427. Counterintelligence polygraph program.”.

11 (b) CONFORMING REPEAL.—Section 1121 of the Na-
12 tional Defense Authorization Act for Fiscal Years 1988
13 and 1989 (10 U.S.C. 113 note), is repealed.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall take effect on October 1, 2003.

16 **SEC. 1042. CODIFICATION AND REVISION OF LIMITATION**
17 **ON MODIFICATION OF MAJOR ITEMS OF**
18 **EQUIPMENT SCHEDULED FOR RETIREMENT**
19 **OR DISPOSAL.**

20 (a) IN GENERAL.—(1) Chapter 134 of title 10,
21 United States Code, is amended by inserting after section
22 2244 the following new section:

1 **“§ 2244a. Equipment scheduled for retirement or dis-**
2 **posal: limitation on expenditures for**
3 **modifications**

4 “(a) PROHIBITION.—Except as otherwise provided in
5 this section, the Secretary of a military department may
6 not carry out a significant modification of an aircraft,
7 weapon, vessel, or other item of equipment that the Sec-
8 retary plans to retire or otherwise dispose of within five
9 years after the date on which the modification, if carried
10 out, would be completed.

11 “(b) SIGNIFICANT MODIFICATIONS DEFINED.—For
12 purposes of this section, a significant modification is any
13 modification for which the cost is in an amount equal to
14 or greater than \$1,000,000.

15 “(c) EXCEPTION FOR SAFETY MODIFICATIONS.—The
16 prohibition in subsection (a) does not apply to a safety
17 modification.

18 “(d) WAIVER AUTHORITY.—The Secretary concerned
19 may waive the prohibition in subsection (a) in the case
20 of any modification otherwise subject to that subsection
21 if the Secretary determines that carrying out the modifica-
22 tion is in the national security interest of the United
23 States. Whenever the Secretary issues such a waiver, the
24 Secretary shall notify the congressional defense commit-
25 tees in writing.”.

1 (2) The table of sections at the beginning of sub-
2 chapter I of such chapter is amended by inserting after
3 the item relating to section 2244 the following new item:

“2244a. Equipment scheduled for retirement or disposal: limitation on expendi-
tures for modifications.”.

4 (b) CONFORMING REPEAL.—Section 8053 of the De-
5 partment of Defense Appropriations Act, 1998 (10 U.S.C.
6 2241 note), is repealed.

7 **SEC. 1043. ADDITIONAL DEFINITIONS FOR PURPOSES OF**
8 **TITLE 10, UNITED STATES CODE.**

9 (a) GENERAL DEFINITIONS.—Section 101(a) of title
10 10, United States Code, is amended by adding at the end
11 the following new paragraphs:

12 “(16) The term ‘congressional defense commit-
13 tees’ means—

14 “(A) the Committee on Armed Services
15 and the Committee on Appropriations of the
16 Senate; and

17 “(B) the Committee on Armed Services
18 and the Committee on Appropriations of the
19 House of Representatives.

20 “(17) The term ‘base closure law’ means the
21 following:

22 “(A) Section 2687 of this title.

1 “(B) The Defense Base Closure and Re-
2 alignment Act of 1990 (part A of title XXIX of
3 Public Law 101–510; 10 U.S.C. 2687 note).

4 “(C) Title II of the Defense Authorization
5 Amendments and Base Closure and Realignment
6 Act (Public Law 100–526; 10 U.S.C.
7 2687 note).”.

8 (b) REFERENCES TO CONGRESSIONAL DEFENSE
9 COMMITTEES.—Title 10, United States Code, is further
10 amended as follows:

11 (1) Section 135(e) is amended—

12 (A) by striking “(1)”;

13 (B) by striking “each congressional com-
14 mittee specified in paragraph (2)” and inserting
15 “each of the congressional defense committees”;
16 and

17 (C) by striking paragraph (2).

18 (2) Section 153(c) is amended—

19 (A) by striking “committees of Congress
20 named in paragraph (2)” and inserting “con-
21 gressional defense committees”;

22 (B) by striking paragraph (2); and

23 (C) by designating the second sentence of
24 paragraph (1) as paragraph (2) and in that
25 paragraph (as so designated) by striking “The

1 report” and inserting “Each report under para-
2 graph (1)”.

3 (3) Section 181(d)(2) is amended—

4 (A) by striking “subsection:” and all that
5 follows through “oversight” and inserting “sub-
6 section, the term ‘oversight’; and

7 (B) by striking subparagraph (B).

8 (4) Section 224 is amended by striking sub-
9 section (f).

10 (5) Section 228(e) is amended—

11 (A) by striking “DEFINITIONS” and all
12 that follows through “(1) The term” and insert-
13 ing “O&M BUDGET ACTIVITY DEFINED.—In
14 this section, the term”; and

15 (B) by striking paragraph (2).

16 (6) Section 229 is amended by striking sub-
17 section (f).

18 (7) Section 1107(f)(4) is amended by striking
19 subparagraph (C).

20 (8) Section 2216(j) is amended by striking
21 paragraph (3).

22 (9) Section 2218(l) is amended—

23 (A) by striking paragraph (4); and

24 (B) by redesignating paragraph (5) as
25 paragraph (4).

1 (10) Section 2306b(1) is amended—

2 (A) by striking paragraph (9); and

3 (B) by redesignating paragraph (10) as
4 paragraph (9).

5 (11) Section 2308(e)(2) is amended—

6 (A) by striking subparagraph (A); and

7 (B) by redesignating subparagraphs (B)
8 and (C) as subparagraphs (A) and (B), respec-
9 tively.

10 (12) Section 2366(e) is amended—

11 (A) by striking paragraph (7); and

12 (B) by redesignating paragraphs (8) and
13 (9) as paragraphs (7) and (8), respectively.

14 (13) Section 2399(h) is amended—

15 (A) by striking “DEFINITIONS.—” and all
16 that follows through “(1) The term” and insert-
17 ing “OPERATIONAL TEST AND EVALUATION
18 DEFINED.—In this section, the term”;

19 (B) by striking paragraph (2);

20 (C) by redesignating subparagraphs (A),
21 (B), and (C) as paragraphs (1), (2), and (3),
22 respectively; and

23 (D) by realigning those paragraphs (as so
24 redesignated) so as to be indented two ems
25 from the left margin.

1 (14) Section 2667(h) is amended by striking
2 paragraph (1).

3 (15) Section 2688(e)(1) is amended by striking
4 “the Committee on” the first place it appears and
5 all that follows through “House of Representatives”
6 and inserting “the congressional defense commit-
7 tees”.

8 (16) Section 2801(c)(4) is amended by striking
9 “the Committee on” the first place it appears and
10 all that follows through “House of Representatives”
11 and inserting “the congressional defense commit-
12 tees”.

13 (c) REFERENCES TO BASE CLOSURE LAWS.—Title
14 10, United States Code, is further amended as follows:

15 (1) Section 2306c(h) is amended by striking
16 “ADDITIONAL” and all that follows through “(2)
17 The term” and inserting “MILITARY INSTALLATION
18 DEFINED.—In this section, the term”.

19 (2) Section 2490a(f) is amended—

20 (A) by striking “DEFINITIONS.—” and all
21 that follows through “(1) The term” and insert-
22 ing “NONAPPROPRIATED FUND INSTRUMEN-
23 TILITY DEFINED.—In this section, the term”;
24 and

25 (B) by striking paragraph (2).

1 (3) Section 2667(h), as amended by subsection
2 (b)(13), is further amended by striking “section:”
3 and all that follows through “(3) The term” and in-
4 serting “section, the term”.

5 (4) Section 2696(e) is amended—

6 (A) by striking paragraphs (1), (2), (3),
7 and (4) and inserting the following:

8 “(1) A base closure law.”; and

9 (B) by redesignating paragraph (6) as
10 paragraph (2).

11 (5) Section 2705 is amended by striking sub-
12 section (h).

13 (6) Section 2871 is amended by striking para-
14 graph (2).

15 **SEC. 1044. INCLUSION OF ANNUAL MILITARY CONSTRUC-**
16 **TION AUTHORIZATION REQUEST IN ANNUAL**
17 **DEFENSE AUTHORIZATION REQUEST.**

18 (a) INCLUSION OF MILITARY CONSTRUCTION RE-
19 QUEST.—Section 113a(b) of title 10, United States Code,
20 is amended—

21 (1) by redesignating paragraph (3) as para-
22 graph (4); and

23 (2) by inserting after paragraph (2) the fol-
24 lowing new paragraph (3):

1 “(3) Authority to carry out military construc-
2 tion projects, as required by section 2802 of this
3 title.”.

4 (b) REPEAL OF SEPARATE TRANSMISSION OF RE-
5 QUEST.—(1) Section 2859 of such title is repealed.

6 (2) The table of sections at the beginning of sub-
7 chapter III of chapter 169 of such title is amended by
8 striking the item relating to section 2859.

9 **SEC. 1045. TECHNICAL AND CLERICAL AMENDMENTS.**

10 (a) TITLE 10, UNITED STATES CODE.—Title 10,
11 United States Code, is amended as follows:

12 (1) The tables of chapters at the beginning of
13 subtitle A, and at the beginning of part IV of sub-
14 title A, are amended by striking “2701” in the item
15 relating to chapter 160 and inserting “2700”.

16 (2) Section 101(a)(9)(D) is amended by strik-
17 ing “Transportation” and inserting “Homeland Se-
18 curity”.

19 (3) Section 2002(a)(2) is amended by striking
20 “Foreign Service Institute” and inserting “George
21 P. Schultz National Foreign Affairs Training Cen-
22 ter”.

23 (4)(A) Section 2248 is repealed.

1 (B) The table of sections at the beginning of
2 chapter 134 is amended by striking the item relating
3 to section 2248.

4 (5) Section 2305a(c) is amended by striking
5 “the Brooks Architect-Engineers Act (40 U.S.C. 541
6 et seq.)” and inserting “chapter 11 of title 40”.

7 (6) Section 2432(h)(1) is amended by inserting
8 “program” in the first sentence after “for such”.

9 (7) Section 7305(d) is amended by inserting
10 “such” before “title III”.

11 (b) TITLE 37, UNITED STATES CODE.—Title 37,
12 United States Code, is amended as follows:

13 (1) Section 323(a) is amended by striking “1
14 year” in paragraphs (1) and (2) and inserting “one
15 year”.

16 (2) Section 402(b) is amended—

17 (A) by striking paragraph (1); and

18 (B) in paragraph (2), by striking “On and
19 after January 1, 2002, the” and inserting
20 “The”.

21 (c) FLOYD D. SPENCE NATIONAL DEFENSE
22 AUTHORIZATON ACT FOR FISCAL YEAR 2001.—The
23 Floyd D. Spence National Defense Authorization Act for
24 Fiscal Year 2001 (as enacted into law by Public Law 106–
25 398) is amended as follows:

1 (1) Section 1308(c) (22 U.S.C. 5959) is amend-
2 ed—

3 (A) by redesignating paragraph (7) as
4 paragraph (8); and

5 (B) by redesignating the second paragraph
6 (6) as paragraph (7).

7 (2) Section 814 (10 U.S.C. 1412 note) is
8 amended in subsection (d)(1) by striking “the
9 Clinger-Cohen Act of 1996 (divisions D and E of
10 Public Law 104–106)” and inserting “subtitle III of
11 title 40, United States Code”.

12 (d) NATIONAL DEFENSE AUTHORIZATION ACT FOR
13 FISCAL YEAR 2000.—Section 1305 of the National De-
14 fense Authorization Act for Fiscal Year 2000 (Public Law
15 106–65; 22 U.S.C. 5952 note) is amended by striking the
16 second period at the end.

17 (e) STROM THURMOND NATIONAL DEFENSE AU-
18 THORIZATION ACT FOR FISCAL YEAR 1999.—Section
19 819(a) of the Strom Thurmond National Defense Author-
20 ization Act for Fiscal Year 1999 (Public Law 105–261;
21 112 Stat. 2089) is amended by striking “section 201(c)
22 of the Federal Property and Administrative Services Act
23 of 1949 (40 U.S.C. 481(c)),” and inserting “section 503
24 of title 40, United States Code,”.

1 (f) NATIONAL DEFENSE AUTHORIZATION ACT FOR
2 FISCAL YEAR 1997.—Section 1084(e) of the National De-
3 fense Authorization Act for Fiscal Year 1997 (Public Law
4 104–201; 110 Stat. 2675) is amended by striking “98–
5 515” and inserting “98–525”. The amendment made by
6 the preceding sentence shall take effect as if included in
7 Public Law 104–201.

8 (g) FEDERAL ACQUISITION STREAMLINING ACT OF
9 1994.—Subsection (d) of section 1004 of the Federal Ac-
10 quisition Streamlining Act of 1994 (Public Law 103–355;
11 108 Stat, 3253) is amended by striking “under—” and
12 all that follows through the end of paragraph (2) and in-
13 serting “under chapter 11 of title 40, United States
14 Code.”.

15 (h) ARMED FORCES RETIREMENT HOME ACT OF
16 1991.—Section 1520(b)(1)(C) of the Armed Forces Retire-
17 ment Home Act of 1991 (24 U.S.C. 420(b)(1)(C)) is
18 amended by inserting “Armed Forces” before “Retirement
19 Home Trust Fund”.

1 **SEC. 1046. AUTHORITY TO PROVIDE LIVING QUARTERS FOR**
2 **CERTAIN STUDENTS IN COOPERATIVE AND**
3 **SUMMER EDUCATION PROGRAMS OF THE NA-**
4 **TIONAL SECURITY AGENCY.**

5 Section 2195 of title 10, United States Code, is
6 amended by adding at the end the following new sub-
7 section:

8 “(d)(1) The Director of the National Security Agency
9 may provide a qualifying employee of a defense laboratory
10 of that Agency with living quarters at no charge, or at
11 a rate or charge prescribed by the Director by regulation,
12 without regard to section 5911(c) of title 5.

13 “(2) In this subsection, the term ‘qualifying em-
14 ployee’ means a student who is employed at the National
15 Security Agency under—

16 “(A) a Student Educational Employment Pro-
17 gram of the Agency conducted under this section or
18 any other provision of law; or

19 “(B) a similar cooperative or summer education
20 program of the Agency that meets the criteria for
21 Federal cooperative or summer education programs
22 prescribed by the Office of Personnel Management.”.

1 **SEC. 1047. USE OF DRUG INTERDICTION AND COUNTER-**
2 **DRUG FUNDS TO SUPPORT ACTIVITIES OF**
3 **THE GOVERNMENT OF COLOMBIA.**

4 (a) **AUTHORITY TO PROVIDE ASSISTANCE.**—During
5 fiscal years 2004 and 2005, the Secretary of Defense may
6 use funds made available to the Department of Defense
7 for drug interdiction and counter-drug activities to provide
8 assistance to the Government of Colombia—

9 (1) to support a unified campaign against nar-
10 cotics trafficking in Colombia;

11 (2) to support a unified campaign against ac-
12 tivities by designated terrorist organizations, such as
13 the Revolutionary Armed Forces of Colombia
14 (FARC), the National Liberation Army (ELN), and
15 the United Self-Defense Forces of Colombia (AUC);
16 and

17 (3) to take actions to protect human health and
18 welfare in emergency circumstances, including un-
19 dertaking rescue operations.

20 (b) **RELATION TO OTHER ASSISTANCE AUTHOR-**
21 **ITY.**—The authority provided by subsection (a) is in addi-
22 tion to other provisions of law authorizing the provision
23 of assistance to the Government of Colombia.

1 **SEC. 1048. AUTHORITY FOR JOINT TASK FORCES TO PRO-**
2 **VIDE SUPPORT TO LAW ENFORCEMENT**
3 **AGENCIES CONDUCTING COUNTER-TER-**
4 **RORISM ACTIVITIES.**

5 (a) **AUTHORITY.**—A joint task force of the Depart-
6 ment of Defense that provides support to law enforcement
7 agencies conducting counter-drug activities may also pro-
8 vide, consistent with all applicable laws and regulations,
9 support to law enforcement agencies conducting counter-
10 terrorism activities.

11 (b) **CONDITIONS.**—Any support provided under sub-
12 section (a) may only be provided in the geographic area
13 of responsibility of the joint task force.

14 **SEC. 1049. USE OF NATIONAL DRIVER REGISTER FOR PER-**
15 **SONNEL SECURITY INVESTIGATIONS AND DE-**
16 **TERMINATIONS.**

17 Section 30305(b) of title 49, United States Code, is
18 amended—

19 (1) by redesignating paragraphs (9) through
20 (11) as paragraphs (10) through (12), respectively;
21 and

22 (2) by inserting after paragraph (8) the fol-
23 lowing new paragraph:

24 “(9) An individual who is being investigated for—

25 “(A) eligibility for access to a particular level of
26 classified information for purposes of Executive

1 Order No. 12968, or any successor Executive order;
2 or

3 “(B) Federal employment under authority of
4 Executive Order No. 10450, or any successor Execu-
5 tive order,

6 may request the chief driver licensing official of a State
7 to provide information about the individual pursuant to
8 subsection (a) of this section to a Federal department or
9 agency that is authorized to investigate the individual for
10 the purpose of assisting in the determination of the eligi-
11 bility of the individual for access to classified information
12 or for Federal employment. A Federal department or
13 agency that receives such information about an individual
14 may use it in accordance with applicable law. Information
15 may not be obtained from the Register under this para-
16 graph if the information was entered in the Register more
17 than 3 years before the request, unless the information
18 is about a revocation or suspension still in effect on the
19 date of the request.”.

20 **SEC. 1050. PROTECTION OF OPERATIONAL FILES OF THE**
21 **NATIONAL SECURITY AGENCY.**

22 The National Security Agency Act of 1959 (50
23 U.S.C. 402 note) is amended by adding at the end the
24 following new section:

1 “SEC. 19. (a) EXEMPTION OF CERTAIN OPER-
2 ATIONAL FILES FROM SEARCH, REVIEW, PUBLICATION,
3 OR DISCLOSURE.—(1) The Director of the National Secu-
4 rity Agency, with the coordination of the Director of Cen-
5 tral Intelligence, may exempt operational files of the Na-
6 tional Security Agency from the provisions of section 552
7 of title 5, United States Code, which require publication,
8 disclosure, search, or review in connection therewith.

9 “(2)(A) Subject to subparagraph (B), for the pur-
10 poses of this section, the term ‘operational files’ means
11 files of the National Security Agency that document the
12 means by which foreign intelligence or counterintelligence
13 is collected through technical systems.

14 “(B) Files that contain disseminated intelligence are
15 not operational files.

16 “(3) Notwithstanding paragraph (1), exempted oper-
17 ational files shall continue to be subject to search and re-
18 view for information concerning—

19 “(A) United States citizens or aliens lawfully
20 admitted for permanent residence who have re-
21 quested information on themselves pursuant to the
22 provisions of section 552 of title 5 or section 552a
23 of title 5, United States Code;

1 “(B) any special activity the existence of which
2 is not exempt from disclosure under the provisions
3 of section 552 of title 5, United States Code; or

4 “(C) the specific subject matter of an investiga-
5 tion by any of the following for any impropriety, or
6 violation of law, Executive order, or Presidential di-
7 rective, in the conduct of an intelligence activity:

8 “(i) The Permanent Select Committee on
9 Intelligence of the House of Representatives.

10 “(ii) The Select Committee on Intelligence
11 of the Senate.

12 “(iii) The Intelligence Oversight Board.

13 “(iv) The Department of Justice.

14 “(v) The Office of General Counsel of the
15 National Security Agency.

16 “(vi) The Office of the Director of the Na-
17 tional Security Agency.

18 “(4)(A) Files that are not exempted under paragraph
19 (1) which contain information derived or disseminated
20 from exempted operational files shall be subject to search
21 and review.

22 “(B) The inclusion of information from exempted
23 operational files in files that are not exempted under para-
24 graph (1) shall not affect the exemption under paragraph

1 (1) of the originating operational files from search, review,
2 publication, or disclosure.

3 “(C) The declassification of some of the information
4 contained in exempted operational files shall not affect the
5 status of the operational file as being exempt from search,
6 review, publication, or disclosure.

7 “(D) Records from exempted operational files which
8 have been disseminated to and referenced in files that are
9 not exempted under paragraph (1) and which have been
10 returned to exempted operational files for sole retention
11 shall be subject to search and review.

12 “(5) The provisions of paragraph (1) may not be su-
13 perseded except by a provision of law which is enacted
14 after the date of the enactment of this section, and which
15 specifically cites and repeals or modifies its provisions.

16 “(6)(A) Except as provided in subparagraph (B),
17 whenever any person who has requested agency records
18 under section 552 of title 5, United States Code, alleges
19 that the National Security Agency has withheld records
20 improperly because of failure to comply with any provision
21 of this section, judicial review shall be available under the
22 terms set forth in section 552(a)(4)(B) of title 5, United
23 States Code.

24 “(B) Judicial review shall not be available in the
25 manner provided for under subparagraph (A) as follows:

1 “(i) In any case in which information specifi-
2 cally authorized under criteria established by an Ex-
3 ecutive order to be kept secret in the interests of na-
4 tional defense or foreign relations which is filed
5 with, or produced for, the court by the National Se-
6 curity Agency, such information shall be examined
7 ex parte, in camera by the court.

8 “(ii) The court shall, to the fullest extent prac-
9 ticable, determine the issues of fact based on sworn
10 written submissions of the parties.

11 “(iii) When a complainant alleges that re-
12 quested records are improperly withheld because of
13 improper placement solely in exempted operational
14 files, the complainant shall support such allegation
15 with a sworn written submission based upon per-
16 sonal knowledge or otherwise admissible evidence.

17 “(iv)(I) When a complainant alleges that re-
18 quested records were improperly withheld because of
19 improper exemption of operational files, the National
20 Security Agency shall meet its burden under section
21 552(a)(4)(B) of title 5, United States Code, by dem-
22 onstrating to the court by sworn written submission
23 that exempted operational files likely to contain re-
24 sponsive records currently perform the functions set
25 forth in paragraph (2).

1 “(II) The court may not order the National Se-
2 curity Agency to review the content of any exempted
3 operational file or files in order to make the dem-
4 onstration required under subclause (I), unless the
5 complainant disputes the National Security Agency’s
6 showing with a sworn written submission based on
7 personal knowledge or otherwise admissible evidence.

8 “(v) In proceedings under clauses (iii) and (iv),
9 the parties may not obtain discovery pursuant to
10 rules 26 through 36 of the Federal Rules of Civil
11 Procedure, except that requests for admission may
12 be made pursuant to rules 26 and 36.

13 “(vi) If the court finds under this paragraph
14 that the National Security Agency has improperly
15 withheld requested records because of failure to com-
16 ply with any provision of this subsection, the court
17 shall order the Agency to search and review the ap-
18 propriate exempted operational file or files for the
19 requested records and make such records, or por-
20 tions thereof, available in accordance with the provi-
21 sions of section 552 of title 5, United States Code,
22 and such order shall be the exclusive remedy for fail-
23 ure to comply with this subsection.

24 “(vii) If at any time following the filing of a
25 complaint pursuant to this paragraph the National

1 Security Agency agrees to search the appropriate ex-
2 empted operational file or files for the requested
3 records, the court shall dismiss the claim based upon
4 such complaint.

5 “(viii) Any information filed with, or produced
6 for the court pursuant to clauses (i) and (iv) shall
7 be coordinated with the Director of Central Intel-
8 ligence prior to submission to the court.

9 “(b) DECENNIAL REVIEW OF EXEMPTED OPER-
10 ATIONAL FILES.—(1) Not less than once every 10 years,
11 the Director of the National Security Agency and the Di-
12 rector of Central Intelligence shall review the exemptions
13 in force under subsection (a)(1) to determine whether such
14 exemptions may be removed from the category of exempt-
15 ed files or any portion thereof. The Director of Central
16 Intelligence must approve any determination to remove
17 such exemptions.

18 “(2) The review required by paragraph (1) shall in-
19 clude consideration of the historical value or other public
20 interest in the subject matter of the particular category
21 of files or portions thereof and the potential for declas-
22 sifying a significant part of the information contained
23 therein.

24 “(3) A complainant that alleges that the National Se-
25 curity Agency has improperly withheld records because of

1 failure to comply with this subsection may seek judicial
2 review in the district court of the United States of the
3 district in which any of the parties reside, or in the Dis-
4 trict of Columbia. In such a proceeding, the court's review
5 shall be limited to determining the following:

6 “(A) Whether the National Security Agency has
7 conducted the review required by paragraph (1) be-
8 fore the expiration of the 10-year period beginning
9 on the date of the enactment of this section or be-
10 fore the expiration of the 10-year period beginning
11 on the date of the most recent review.

12 “(B) Whether the National Security Agency, in
13 fact, considered the criteria set forth in paragraph
14 (2) in conducting the required review.”.

15 **SEC. 1051. ASSISTANCE FOR STUDY OF FEASIBILITY OF BI-**
16 **ENNIAL UNITED STATES INTERNATIONAL AIR**
17 **TRADE SHOW AND FOR INITIAL IMPLEMEN-**
18 **TATION.**

19 (a) ASSISTANCE FOR FEASIBILITY STUDY.—(1) The
20 Secretary of Defense shall provide assistance to the non-
21 profit organization named United States Air and Trade
22 Show Inc. for expenses of a study by that organization
23 of the feasibility of the establishment and operation of a
24 biennial United States international air trade show.

1 (2) The Secretary shall provide for the organization
2 specified in paragraph (1) to submit to the Secretary a
3 report containing the results of the study not later than
4 September 30, 2004. The Secretary shall promptly submit
5 the report to Congress, together with such comments on
6 the report as the Secretary considers appropriate.

7 (b) ASSISTANCE FOR IMPLEMENTATION.—If the or-
8 ganization conducting the study under subsection (a) de-
9 termines that the establishment and operation of such an
10 air show is feasible and should be implemented, the Sec-
11 retary shall provide assistance to that organization for the
12 initial expenses of implementing such an air show.

13 (c) AMOUNT OF ASSISTANCE.—The amount of assist-
14 ance provided by the Secretary under subsections (a) and
15 (b)—

16 (1) may not exceed a total of \$1,000,000, to be
17 derived from amounts available for operation and
18 maintenance for the Air Force for fiscal year 2004;
19 and

20 (2) may not exceed one-half of the cost of the
21 study and may not exceed one-half the cost of such
22 initial implementation.

1 **SEC. 1052. CONTINUATION OF REASONABLE ACCESS TO**
2 **MILITARY INSTALLATIONS FOR PERSONAL**
3 **COMMERCIAL SOLICITATION.**

4 (a) CONTINUED ACCESS TO MEMBERS.—Section
5 2679 of title 10, United States Code, is amended—

6 (1) in subsection (a), by inserting “ACCESS BY
7 REPRESENTATIVES OF VETERANS’ ORGANIZA-
8 TIONS.—(1)” before “Upon certification”;

9 (2) by redesignating subsections (b) and (c) as
10 paragraphs (2) and (3), respectively;

11 (3) in paragraph (2), as so redesignated, by
12 striking “subsection (a)” and inserting “paragraph
13 (1)”;

14 (4) in paragraph (3), as so redesignated, by
15 striking “section” and inserting “subsection”;

16 (5) by redesignating subsection (d) as sub-
17 section (c); and

18 (6) by inserting before such subsection the fol-
19 lowing new subsection (b):

20 “(b) ACCESS FOR PERSONAL COMMERCIAL SOLICITA-
21 TION.—An amendment or other revision to a Department
22 of Defense directive relating to access to military installa-
23 tions for the purpose of conducting limited personal com-
24 mercial solicitation shall not take effect until the end of
25 the 90-day period beginning on the date the Secretary of

1 Defense submits to Congress notice of the amendment or
2 revision and the reasons therefor.”.

3 (b) CLERICAL AMENDMENTS.—(1) The heading of
4 such section is amended to read as follows:

5 **“§ 2679. Access to and use of space and equipment at**
6 **military installations: representatives of**
7 **veterans’ organizations and other per-**
8 **sons”.**

9 (2) The item relating to such section in the table of
10 sections at the beginning of chapter 159 of such title is
11 amended to read as follows:

“2679. Access to and use of space and equipment at military installations: rep-
resentatives of veterans’ organizations and other persons.”.

12 **SEC. 1053. COMMISSION ON NUCLEAR STRATEGY OF THE**
13 **UNITED STATES.**

14 (a) ESTABLISHMENT OF COMMISSION.—

15 (1) ESTABLISHMENT.—There is hereby estab-
16 lished a commission to be known as the “Commis-
17 sion on Nuclear Strategy of the United States”
18 (hereinafter this this section referred to as the
19 “Commission”). The Secretary of Defense, in con-
20 sultation with the Secretary of Energy, shall enter
21 into a contract with a federally funded research and
22 development center to provide for the organization,
23 management, and suport of the Commission.

1 (2) COMPOSITION.—(A) The Commission shall
2 be composed of 12 members appointed by the Sec-
3 retary of Defense. In selecting individuals for ap-
4 pointment to the Commission, the Secretary of De-
5 fense shall consult with the chairman and ranking
6 minority member of the Committee on Armed Serv-
7 ices of the Senate and the chairman and ranking mi-
8 nority member of the Committee on Armed Services
9 of the House of Representatives.

10 (B) Members of the Commission shall be ap-
11 pointed from among private United States citizens
12 with knowledge and expertise in the political, mili-
13 tary, operational, and technical aspects of nuclear
14 strategy.

15 (3) CHAIRMAN OF THE COMMISSION.—The Sec-
16 retary of Defense shall designate one of the mem-
17 bers of the Commission to serve as chairman of the
18 Commission.

19 (4) PERIOD OF APPOINTMENT; VACANCIES.—
20 Members shall be appointed for the life of the Com-
21 mission. Any vacancy in the Commission shall be
22 filled in the same manner as the original appoint-
23 ment.

1 (5) SECURITY CLEARANCES.—All members of
2 the Commission shall hold appropriate security
3 clearances.

4 (b) DUTIES OF COMMISSION.—

5 (1) REVIEW OF NUCLEAR STRATEGY.—The
6 Commission shall consider all matters of policy,
7 force structure, nuclear stockpile stewardship, esti-
8 mates of threats and force requirements, and any
9 other issue the Commission may consider necessary
10 in order to assess and make recommendations about
11 current United States nuclear strategy as envisioned
12 in the National Security Strategy of the United
13 States and the Nuclear Posture Review, as well as
14 possible alternative future strategies.

15 (2) ASSESSMENT OF RANGE OF NUCLEAR
16 STRATEGIES.—The Commission shall assess possible
17 future nuclear strategies for the United States that
18 could be pursued over the next 20 years.

19 (3) RELATIONS WITH RUSSIA.—The Commis-
20 sion shall give special attention to assessing how the
21 United States goal of strengthening partnership with
22 Russia may be advanced or adversely affected by
23 each of the possible nuclear strategies considered.
24 The Commission shall also assess how relations with
25 China, and the overall global security environment,

1 may be affected by each of those possible nuclear
2 strategies.

3 (4) OTHER MATTERS TO BE INCLUDED.—For
4 each of the possible nuclear strategies considered,
5 the Commission shall include in its report under
6 subsection (c)(1), at a minimum, the following:

7 (A) A discussion of the policy defining the
8 deterrence and military-political objectives of
9 the United States against potential adversaries.

10 (B) A discussion of the military require-
11 ments for United States forces, the force struc-
12 ture and capabilities necessary to meet those re-
13 quirements, and how they relate to the achieve-
14 ment of the objectives identified under subpara-
15 graph (A).

16 (C) Appropriate quantitative and quali-
17 tative analysis, including force-on-force ex-
18 change modeling, to calculate the effectiveness
19 of the strategy under various scenario condi-
20 tions, including scenarios of strategic and tac-
21 tical surprise.

22 (D) An assessment of the role of missile
23 defenses in the strategy, the dependence of the
24 strategy on missile defense effectiveness, and

1 the effect of missile defenses on the threat envi-
2 ronment.

3 (E) An assessment of the implications of
4 the proliferation of missiles and weapons of
5 mass destruction, the proliferation of under-
6 ground facilities and mobile launch platforms,
7 and China's modernization of strategic forces.

8 (F) An assessment of the implications of
9 asymmetries between the United States and
10 Russia, including doctrine, nonstrategic nuclear
11 weapons, and active and passive defenses.

12 (G) An assessment of strategies or options
13 for dealing with nuclear capable nations that
14 may provide nuclear weapons to terrorist or
15 transnational groups.

16 (H) An assessment of the contribution of
17 non-proliferation strategies and programs to the
18 overall security of the United States and how
19 those strategies and programs may affect the
20 overall requirements of future nuclear strategy.

21 (I) An assessment of the effect of the
22 strategy on the nuclear programs of emerging
23 nuclear weapons states, including North Korea,
24 Iran, Pakistan, and India.

1 (5) RECOMMENDATIONS.—The Commission
2 shall include in its report recommendations for any
3 continuities or changes in nuclear strategy it believes
4 should be taken to enhance the national security of
5 the United States.

6 (6) COOPERATION FROM GOVERNMENT OFFI-
7 CIALS.—(A) In carrying out its duties, the Commis-
8 sion shall receive the full and timely cooperation of
9 the Secretary of Defense, the Secretary of Energy,
10 and any other United States Government official in
11 providing the Commission with analyses, briefings,
12 and other information necessary for the fulfillment
13 of its responsibilities.

14 (B) The Secretary of Energy and the Secretary
15 of Defense shall each designate at least one officer
16 or employee of the Department of Energy and the
17 Department of Defense, respectively, to serve as a li-
18 aison officer between the department and the Com-
19 mission. The Director of Central Intelligence may
20 designate at least one officer or employee of the
21 Central Intelligence Agency to serve as a liaison offi-
22 cer between that agency and the Commission.

23 (c) REPORTS.—

24 (1) COMMISSION REPORT.—The Commission
25 shall submit to the Secretary of Defense and to the

1 Committees on Armed Services of the Senate and
2 House of Representatives a report on the Commis-
3 sion's findings and conclusions not later than 18
4 months after the date of its first meeting.

5 (2) SECRETARY OF DEFENSE RESPONSE.—Not
6 later than one year after the date on which the Com-
7 mission submits its report under paragraph (1), the
8 Secretary of Defense shall submit to Congress a re-
9 port—

10 (A) commenting on the Commission's find-
11 ings and conclusions; and

12 (B) explaining what actions, if any, the
13 Secretary intends to take to implement the rec-
14 ommendations of the Commission and, with re-
15 spect to each such recommendation, the Sec-
16 retary's reasons for implementing, or not imple-
17 menting, the recommendation.

18 (d) HEARINGS AND PROCEDURES.—

19 (1) HEARINGS.—The Commission may, for the
20 purpose of carrying out the purposes of this section,
21 hold hearings and take testimony.

22 (2) PROCEDURES.—The federally funded re-
23 search and development center referred to in sub-
24 section (a)(1) shall be responsible for establishing
25 appropriate procedures for the Commission.

1 (3) DETAIL OF GOVERNMENT EMPLOYEES.—

2 Upon request of the chairman of the Commission,
3 the head of any Federal department or agency may
4 detail, on a nonreimbursable basis, any personnel of
5 that department or agency to the Commission to as-
6 sist it in carrying out its duties.

7 (e) FUNDING.—Funds for activities of the Commis-
8 sion shall be provided from amounts appropriated for the
9 Department of Defense.

10 (f) TERMINATION OF COMMISSION.—The Commis-
11 sion shall terminate 60 days after the date of the submis-
12 sion of its report under subsection (c)(1).

13 (g) IMPLEMENTATION.—

14 (1) FFRDC CONTRACT.—The Secretary of De-
15 fense shall enter into the contract required under
16 subsection (a)(1) not later than 60 days after the
17 date of the enactment of this Act.

18 (2) FIRST MEETING.—The Commission shall
19 convene its first meeting not later than 60 days
20 after the date as of which all members of the Com-
21 mission have been appointed.

22 **SEC. 1054. EXTENSION OF COUNTERPROLIFERATION PRO-**
23 **GRAM REVIEW COMMITTEE.**

24 Section 1605(f) of the National Defense Authoriza-
25 tion Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is

1 amended by striking “September 30, 2004” and inserting
2 “September 30, 2008”.

3 **SEC. 1055. ASSIGNMENT OF MEMBERS TO ASSIST BUREAU**
4 **OF BORDER SECURITY AND BUREAU OF CITI-**
5 **ZENSHIP AND IMMIGRATION SERVICES OF**
6 **THE DEPARTMENT OF HOMELAND SECURITY.**

7 (a) ASSIGNMENT AUTHORITY OF SECRETARY OF DE-
8 FENSE.—Chapter 18 of title 10, United States Code, is
9 amended by inserting after section 374 the following new
10 section:

11 **“§ 374a. Assignment of members to assist border pa-**
12 **trol and control**

13 “(a) ASSIGNMENT AUTHORIZED.—Upon submission
14 of a request consistent with subsection (b), the Secretary
15 of Defense may assign members of the Army, Navy, Air
16 Force, and Marine Corps to assist—

17 “(1) the Bureau of Border Security of the De-
18 partment of Homeland Security in preventing the
19 entry of terrorists, drug traffickers, and illegal aliens
20 into the United States; and

21 “(2) the United States Customs Service of the
22 Department of Homeland Security in the inspection
23 of cargo, vehicles, and aircraft at points of entry
24 into the United States to prevent the entry of weap-
25 ons of mass destruction, components of weapons of

1 mass destruction, prohibited narcotics or drugs, or
2 other terrorist or drug trafficking items.

3 “(b) REQUEST FOR ASSIGNMENT.—The assignment
4 of members under subsection (a) may occur only if—

5 “(1) the assignment is at the request of the
6 Secretary of Homeland Security; and

7 “(2) the request is accompanied by a certifi-
8 cation by the Secretary of Homeland Security that
9 the assignment of members pursuant to the request
10 is necessary to respond to a threat to national secu-
11 rity posed by the entry into the United States of ter-
12 rorists, drug traffickers, or illegal aliens.

13 “(c) TRAINING PROGRAM REQUIRED.—The Sec-
14 retary of Homeland Security and the Secretary of De-
15 fense, shall establish a training program to ensure that
16 members receive general instruction regarding issues af-
17 fecting law enforcement in the border areas in which the
18 members may perform duties under an assignment under
19 subsection (a). A member may not be deployed at a border
20 location pursuant to an assignment under subsection (a)
21 until the member has successfully completed the training
22 program.

23 “(d) CONDITIONS OF USE.—(1) Whenever a member
24 who is assigned under subsection (a) to assist the Bureau
25 of Border Security or the United States Customs Service

1 is performing duties at a border location pursuant to the
2 assignment, a civilian law enforcement officer from the
3 agency concerned shall accompany the member.

4 “(2) Nothing in this section shall be construed to—

5 “(A) authorize a member assigned under sub-
6 section (a) to conduct a search, seizure, or other
7 similar law enforcement activity or to make an ar-
8 rest; and

9 “(B) supersede section 1385 of title 18 (popu-
10 larly known as the ‘Posse Comitatus Act’).

11 “(e) ESTABLISHMENT OF ONGOING JOINT TASK
12 FORCES.—(1) The Secretary of Homeland Security may
13 establish ongoing joint task forces if the Secretary of
14 Homeland Security determines that the joint task force,
15 and the assignment of members to the joint task force,
16 is necessary to respond to a threat to national security
17 posed by the entry into the United States of terrorists,
18 drug traffickers, or illegal aliens.

19 “(2) If established, the joint task force shall fully
20 comply with the standards as set forth in this section.

21 “(f) NOTIFICATION REQUIREMENTS.—The Secretary
22 of Homeland Security shall provide to the Governor of the
23 State in which members are to be deployed pursuant to
24 an assignment under subsection (a) and to local govern-
25 ments in the deployment area notification of the deploy-

1 ment of the members to assist the Department of Home-
 2 land Security under this section and the types of tasks
 3 to be performed by the members.

4 “(g) REIMBURSEMENT REQUIREMENT.—Section 377
 5 of this title shall apply in the case of members assigned
 6 under subsection (a).

7 “(h) TERMINATION OF AUTHORITY.—No assignment
 8 may be made or continued under subsection (a) after Sep-
 9 tember 30, 2005.”.

10 (b) COMMENCEMENT OF TRAINING PROGRAM.—The
 11 training program required by subsection (b) of section
 12 374a of title 10, United States Code, shall be established
 13 as soon as practicable after the date of the enactment of
 14 this Act.

15 (c) CLERICAL AMENDMENT.—The table of sections
 16 at the beginning of such chapter is amended by inserting
 17 after the item relating to section 374 the following new
 18 item:

“374a. Assignment of members to assist border patrol and control.”.

19 **SEC. 1056. REPORT CONCERNING STRATEGIC NUCLEAR**
 20 **WARHEADS DISMANTLED PURSUANT TO THE**
 21 **TREATY BETWEEN THE UNITED STATES OF**
 22 **AMERICA AND THE RUSSIAN FEDERATION ON**
 23 **STRATEGIC OFFENSIVE REDUCTIONS.**

24 Not later than 60 days after the exchange of instru-
 25 ments of ratification of the Treaty Between the United

1 States of America and the Russian Federation on Stra-
2 tegic Offensive Reductions or 60 days after the date of
3 the enactment of this Act, whichever occurs last, and on
4 February 15 of each subsequent year, the President shall
5 submit to Congress a report concerning any strategic nu-
6 clear warheads dismantled within the boundaries of the
7 treaty during the preceding calendar year and any such
8 warheads to be dismantled in that calendar year, pursuant
9 to such treaty. During the one-year period beginning on
10 the date of the exchange of instruments of ratification of
11 such treaty, any such report shall not include information
12 concerning any dismantling of warheads during the pre-
13 ceding calendar year.

14 **SEC. 1057. PILOT PROGRAM TO IMPROVE USE OF AIR**
15 **FORCE AND AIR NATIONAL GUARD MODULAR**
16 **AIRBORNE FIRE-FIGHTING SYSTEMS TO**
17 **FIGHT WILDFIRES.**

18 (a) TEMPORARY EXCEPTION TO ECONOMY ACT RE-
19 QUIREMENT.—Notwithstanding section 1535(a)(4) of title
20 31, United States Code, the Secretary of the Interior and
21 the Secretary of Agriculture may procure the services of
22 military aircraft (and personnel of the Armed Forces to
23 operate and maintain such aircraft) of Air Force and Air
24 National Guard Modular Airborne Fire-Fighting Systems
25 units in California, Colorado, North Carolina, and Wyo-

1 ming to fight a wildfire without first comparing the cost
2 and convenience of procuring such services from such
3 source to the cost of procuring the same services from a
4 commercial enterprise.

5 (b) DURATION OF PILOT PROGRAM.—The authority
6 provided by subsection (a) expires December 31, 2005.

7 (c) REPORTING REQUIREMENT.—Not later than Feb-
8 ruary 1, 2005, the Secretary of the Interior and the Sec-
9 retary of Agriculture shall submit to Congress a report
10 describing—

11 (1) the use of the exception provided in sub-
12 section (a) to expedite the procurement of the serv-
13 ices of Air Force and Air National Guard Modular
14 Airborne Fire-Fighting Systems units to fight
15 wildfires; and

16 (2) the ability of these units in responding to
17 wildfires in a timely and effective manner.

18 **SEC. 1058. STUDY ON FEASIBILITY OF USE OF SMALL BUSI-**
19 **NESSES, MINORITY-OWNED BUSINESSES, AND**
20 **WOMEN-OWNED BUSINESSES IN EFFORTS TO**
21 **REBUILD IRAQ.**

22 The Secretary of Defense shall commission a study
23 of the feasibility of using small businesses, minority-owned
24 businesses, and women-owned businesses in the United
25 States' efforts to rebuild Iraq. The study shall include the

1 development of outreach procedures to provide, to small
2 businesses, minority-owned businesses, and women-owned
3 businesses, information on participating in rebuilding
4 Iraq.

5 **SEC. 1059. SENSE OF CONGRESS REGARDING CONTINU-**
6 **ATION OF MISSION AND FUNCTIONS OF ARMY**
7 **PEACEKEEPING INSTITUTE.**

8 It is the sense of Congress that the Secretary of De-
9 fense should maintain the functions and missions of the
10 Army Peacekeeping Institute at the Army War College in
11 Carlisle, Pennsylvania, or within a joint entity of the De-
12 partment of Defense, such as the National Defense Uni-
13 versity or the Joint Forces Command, to ensure that
14 members of the Armed Forces continue to study the stra-
15 tegic challenges and uses of peacekeeping missions and to
16 prepare the Armed Forces for conducting such missions.

17 **SEC. 1060. ASSESSMENT OF EFFECTS OF SPECIFIED STATU-**
18 **TORY LIMITATIONS ON THE GRANTING OF**
19 **SECURITY CLEARANCES.**

20 Not later than 60 days after the date of the enact-
21 ment of this Act, the Secretary of Defense shall submit
22 to the Committee on Armed Services of the Senate and
23 the Committee on Armed Services of the House of Rep-
24 resentatives an assessment of the effects of the provisions
25 of section 986 of title 10, United States Code (relating

1 to limitations on security clearances), on the granting (or
2 renewal) of security clearances for Department of Defense
3 personnel and defense contractor personnel. The assess-
4 ment shall review the affects of the disqualification factors
5 specified in subsection (c) of that section and shall include
6 such recommendations for legislation or administrative
7 steps as the Secretary considers necessary.

8 **TITLE XI—DEPARTMENT OF**
9 **DEFENSE CIVILIAN PERSONNEL**
10 **Subtitle A—Department of Defense**
11 **Civilian Personnel Generally**

12 **SEC. 1101. MODIFICATION OF THE OVERTIME PAY CAP.**

13 Section 5542(a)(2) of title 5, United States Code, is
14 amended—

15 (1) by inserting “the greater of” before “one
16 and one-half”; and

17 (2) by inserting “or the hourly rate of basic pay
18 of the employee” after “law)” the second place it ap-
19 pears.

20 **SEC. 1102. MILITARY LEAVE FOR MOBILIZED FEDERAL CI-**
21 **VILIAN EMPLOYEES.**

22 (a) IN GENERAL.—Subsection (b) of section 6323 of
23 title 5, United States Code, is amended—

24 (1) in paragraph (2)—

1 (A) by redesignating subparagraphs (A)
2 and (B) as clauses (i) and (ii), respectively, and
3 at the end of clause (ii), as so redesignated, by
4 inserting “or”; and

5 (B) by inserting “(A)” after “(2)”; and
6 (2) by inserting the following before the text be-
7 ginning with “is entitled”:

8 “(B) performs full-time military service as a re-
9 sult of a call or order to active duty in support of
10 a contingency operation as defined in section
11 101(a)(13) of title 10;”.

12 (b) EFFECTIVE DATE.—The amendments made by
13 subsection (a) shall apply to military service performed on
14 or after the date of the enactment of this Act.

15 **SEC. 1103. COMMON OCCUPATIONAL AND HEALTH STAND-**
16 **ARDS FOR DIFFERENTIAL PAYMENTS AS A**
17 **CONSEQUENCE OF EXPOSURE TO ASBESTOS.**

18 (a) PREVAILING RATE SYSTEMS.—Section
19 5343(c)(4) of title 5, United States Code, is amended by
20 inserting before the semicolon at the end the following:
21 “, and for any hardship or hazard related to asbestos, such
22 differentials shall be determined by applying occupational
23 safety and health standards consistent with the permis-
24 sible exposure limit promulgated by the Secretary of

1 Labor under the Occupational Safety and Health Act of
2 1970”.

3 (b) GENERAL SCHEDULE PAY RATES.—Section
4 5545(d) of such title is amended by inserting before the
5 period at the end of the first sentence the following: “,
6 and for any hardship or hazard related to asbestos, such
7 differentials shall be determined by applying occupational
8 safety and health standards consistent with the permis-
9 sible exposure limit promulgated by the Secretary of
10 Labor under the Occupational Safety and Health Act of
11 1970”.

12 (c) APPLICABILITY.—Subject to any vested constitu-
13 tional property rights, any administrative or judicial deter-
14 mination after the date of enactment of this Act con-
15 cerning backpay for a differential established under sec-
16 tions 5343(c)(4) or 5545(d) of such title shall be based
17 on occupational safety and health standards described in
18 the amendments made by subsections (a) and (b).

19 **SEC. 1104. INCREASE IN ANNUAL STUDENT LOAN REPAY-**
20 **MENT AUTHORITY.**

21 Section 5379(b)(2)(A) of title 5, United States Code,
22 is amended by striking “\$6,000” and inserting
23 “\$10,000”.

1 **SEC. 1105. AUTHORIZATION FOR CABINET SECRETARIES,**
2 **SECRETARIES OF MILITARY DEPARTMENTS,**
3 **AND HEADS OF EXECUTIVE AGENCIES TO BE**
4 **PAID ON A BIWEEKLY BASIS.**

5 (a) AUTHORIZATION.—Section 5504 of title 5, United
6 States Code, is amended—

7 (1) by redesignating subsection (c) as sub-
8 section (d);

9 (2) by striking the last sentence of both sub-
10 section (a) and subsection (b); and

11 (3) by inserting after subsection (b) the fol-
12 lowing:

13 “(c) For the purposes of this section:

14 “(1) The term ‘employee’ means—

15 “(A) an employee in or under an Executive
16 agency;

17 “(B) an employee in or under the Office of
18 the Architect of the Capitol, the Botanic Gar-
19 den, and the Library of Congress, for whom a
20 basic administrative workweek is established
21 under section 6101(a)(5) of this title; and

22 “(C) an individual employed by the govern-
23 ment of the District of Columbia.

24 “(2) The term ‘employee’ does not include—

1 “(A) an employee on the Isthmus of Pan-
2 ama in the service of the Panama Canal Com-
3 mission; or

4 “(B) an employee or individual excluded
5 from the definition of employee in section
6 5541(2) of this title other than an employee or
7 individual excluded by clauses (ii), (iii), and
8 (xiv) through (xvii) of such section.

9 “(3) Notwithstanding paragraph (2), an indi-
10 vidual who otherwise would be excluded from the
11 definition of employee shall be deemed to be an em-
12 ployee for purposes of this section if the individual’s
13 employing agency so elects, under guidelines in regu-
14 lations promulgated by the Office of Personnel Man-
15 agement under subsection (d)(2).”.

16 (b) GUIDELINES.—Subsection (d) of section 5504 of
17 such title, as redesignated by subsection (a), is amended—

18 (1) by inserting “(1)” after “(d)”; and

19 (2) by adding at the end the following new
20 paragraph:

21 “(2) The Office of Personnel Management shall pro-
22 vide guidelines by regulation for exemptions to be made
23 by the heads of agencies under subsection (c)(3). Such
24 guidelines shall provide for such exemptions only under
25 exceptional circumstances.”.

1 **SEC. 1106. SENIOR EXECUTIVE SERVICE AND PERFORM-**
2 **ANCE.**

3 (a) SENIOR EXECUTIVE PAY.—Chapter 53 of title 5,
4 United States Code, is amended—

5 (1) in section 5304—

6 (A) in subsection (g)(2)—

7 (i) in subparagraph (A) by striking
8 “subparagraphs (A)–(E)” and inserting
9 “subparagraphs (A)–(D)”; and

10 (ii) in subparagraph (B) by striking
11 “subsection (h)(1)(F)” and inserting “sub-
12 section (h)(1)(D)”;

13 (B) in subsection (h)(1)—

14 (i) by striking subparagraphs (B) and
15 (C);

16 (ii) by redesignating subparagraphs
17 (D), (E), and (F) as subparagraphs (B),
18 (C), and (D), respectively;

19 (iii) in clause (ii) by striking “or” at
20 the end;

21 (iv) in clause (iii) by striking the pe-
22 riod and inserting a semicolon; and

23 (v) by adding at the end the following
24 new clauses:

25 “(iv) a Senior Executive Service position under
26 section 3132;

1 “(v) a position in the Federal Bureau of Inves-
2 tigation and Drug Enforcement Administration Sen-
3 ior Executive Service under section 3151; or

4 “(vi) a position in a system equivalent to the
5 system in clause (iv), as determined by the Presi-
6 dent’s Pay Agent designated under subsection (d).”;
7 and

8 (C) in subsection (h)(2)(B)—

9 (i) in clause (i)—

10 (I) by striking “subparagraphs
11 (A) through (E)” and inserting “sub-
12 paragraphs (A) through (C)”; and

13 (II) by striking “clause (i) or
14 (ii)” and inserting “clause (i), (ii),
15 (iii), (iv), (v), or (vii)”; and

16 (ii) in clause (ii)—

17 (I) by striking “paragraph
18 (1)(F)” and inserting “paragraph
19 (1)(D)”; and

20 (II) by striking “clause (i) or
21 (ii)” and inserting “clause (i), (ii),
22 (iii), (iv), (v), or (vi)”; and

23 (2) by amending section 5382 to read as fol-
24 lows:

1 **“§ 5382. Establishment of rates of pay for the Senior**
2 **Executive Service**

3 “(a) Subject to regulations prescribed by the Office
4 of Personnel Management, there shall be established a
5 range of rates of basic pay for the Senior Executive Serv-
6 ice, and each senior executive shall be paid at one of the
7 rates within the range, based on individual performance,
8 contribution to the agency’s performance, or both, as de-
9 termined under a rigorous performance management sys-
10 tem. The lowest rate of the range shall not be less than
11 the minimum rate of basic pay payable under section
12 5376, and the highest rate, for any position under this
13 system or an equivalent system as determined by the
14 President’s Pay Agent designated under section 5304(d),
15 shall not exceed the rate for level III of the Executive
16 Schedule. The payment of the rates shall not be subject
17 to the pay limitation of section 5306(e) or 5373.

18 “(b) Notwithstanding the provisions of subsection
19 (a), the applicable maximum shall be level II of the Execu-
20 tive Schedule for any agency that is certified under section
21 5307 as having a performance appraisal system which, as
22 designed and applied, makes meaningful distinctions
23 based on relative performance.

24 “(c) No employee may suffer a reduction in pay by
25 reason of transfer from an agency with an applicable max-
26 imum rate of pay prescribed under subsection (b) to an

1 agency with an applicable maximum rate of pay prescribed
2 under subsection (a).”; and

3 (3) in section 5383—

4 (A) in subsection (a) by striking “which of
5 the rates established under section 5382 of this
6 title” and inserting “which of the rates within
7 a range established under section 5382”; and

8 (B) in subsection (c) by striking “for any
9 pay adjustment under section 5382 of this
10 title” and inserting “as provided in regulations
11 prescribed by the Office under section 5385”.

12 (b) POST-EMPLOYMENT RESTRICTIONS.—(1) Clause
13 (ii) of section 207(c)(2)(A) of title 18, United States Code
14 is amended to read as follows:

15 “(ii) employed in a position which is not
16 referred to in clause (i) and for which that per-
17 son is paid at a rate of basic pay which is equal
18 to or greater than 96 percent of the rate of
19 basic pay for level II of the Executive Schedule,
20 or, for a period of 2 years following the enact-
21 ment of the National Defense Authorization Act
22 for Fiscal Year 2004, a person who, on the day
23 prior to the enactment of that Act, was em-
24 ployed in a position which is not referred to in
25 clause (i) and for which the rate of basic pay,

1 exclusive of any locality-based pay adjustment
2 under section 5304 or section 5304a of title 5,
3 was equal to or greater than the rate of basic
4 pay payable for level 5 of the Senior Executive
5 Service on the day prior to the enactment of
6 that Act,”.

7 (2) Subchapter I of chapter 73 of title 5, United
8 States Code, is amended by inserting at the end the fol-
9 lowing new section:

10 **“§ 7302. Post-employment notification**

11 “(a) Not later than the effective date of the amend-
12 ments made by section 1106 of the National Defense Au-
13 thorization Act for Fiscal Year 2004, or 180 days after
14 the date of enactment of that Act, whichever is later, the
15 Office of Personnel Management shall, in consultation
16 with the Attorney General and the Office of Government
17 Ethics, promulgate regulations requiring that each Execu-
18 tive branch agency notify any employee of that agency who
19 is subject to the provisions of section 207(c)(1) of title
20 18, as a result of the amendment to section
21 207(c)(2)(A)(ii) of that title by that Act.

22 “(b) The regulations shall require that notice be given
23 before, or as part of, the action that affects the employee’s
24 coverage under section 207(c)(1) of title 18, by virtue of
25 the provisions of section 207(c)(2)(A)(ii) of that title, and

1 again when employment or service in the covered position
2 is terminated.”.

3 (3) The table of sections for chapter 73 of title 5,
4 United States Code, is amended by adding after the item
5 relating to section 7301 the following:

“7302. Post-employment notification.”.

6 (c) EFFECTIVE DATE AND APPLICABILITY.—(1) The
7 amendments made by this section shall take effect on the
8 first day of the first pay period beginning on or after the
9 first January 1 following the date of enactment of this
10 section.

11 (2) The amendments made by subsection (a) may not
12 result in a reduction in the rate of basic pay for any senior
13 executive during the first year after the effective date of
14 those amendments.

15 (3) For the purposes of paragraph (2), the rate of
16 basic pay for a senior executive shall be deemed to be the
17 rate of basic pay set for the senior executive under section
18 5383 of title 5, United States Code, plus applicable local-
19 ity pay paid to that senior executive, as of the date of
20 enactment of this Act.

21 **SEC. 1107. DESIGN ELEMENTS OF PAY-FOR-PERFORMANCE**
22 **SYSTEMS IN DEMONSTRATION PROJECTS.**

23 A pay-for-performance system may not be initiated
24 under chapter 47 of title 5, United States Code, after the

1 date of enactment of this Act, unless it incorporates the
2 following elements:

3 (1) adherence to merit principles set forth in
4 section 2301 of such title;

5 (2) a fair, credible, and transparent employee
6 performance appraisal system;

7 (3) a link between elements of the pay-for-per-
8 formance system, the employee performance ap-
9 praisal system, and the agency's strategic plan;

10 (4) a means for ensuring employee involvement
11 in the design and implementation of the system;

12 (5) adequate training and retraining for super-
13 visors, managers, and employees in the implementa-
14 tion and operation of the pay-for-performance sys-
15 tem;

16 (6) a process for ensuring ongoing performance
17 feedback and dialogue between supervisors, man-
18 agers, and employees throughout the appraisal pe-
19 riod, and setting timetables for review;

20 (7) effective safeguards to ensure that the man-
21 agement of the system is fair and equitable and
22 based on employee performance; and

23 (8) a means for ensuring that adequate agency
24 resources are allocated for the design, implementa-

1 tion, and administration of the pay-for-performance
2 system.

3 **SEC. 1108. FEDERAL FLEXIBLE BENEFITS PLAN ADMINIS-**
4 **TRATIVE COSTS.**

5 (a) IN GENERAL.—Notwithstanding any other provi-
6 sion of law, an agency or other employing entity of the
7 Government which provides or plans to provide a flexible
8 spending account option for its employees shall not impose
9 any fee with respect to any of its employees in order to
10 defray the administrative costs associated therewith.

11 (b) OFFSET OF ADMINISTRATIVE COSTS.—Each such
12 agency or employing entity that offers a flexible spending
13 account option under a program established or adminis-
14 tered by the Office of Personnel Management shall peri-
15 odically forward to such Office, or entity designated by
16 such Office, the amount necessary to offset the adminis-
17 trative costs of such program which are attributable to
18 such agency.

19 (c) REPORTS.—(1) The Office shall submit a report
20 to the Committee on Government Reform of the House
21 of Representatives and the Committee on Governmental
22 Affairs of the Senate no later than March 31, 2004, speci-
23 fying the administrative costs associated with the Govern-
24 mentwide program (referred to in subsection (b)) for fiscal

1 year 2003, as well as the projected administrative costs
2 of such program for each of the 5 fiscal years thereafter.

3 (2) At the end of each of the first 3 calendar years
4 in which an agency or other employing entity offers a flexi-
5 ble spending account option under this section, such agen-
6 cy or entity shall submit a report to the Office of Manage-
7 ment and Budget showing the amount of its employment
8 tax savings in such year which are attributable to such
9 option, net of administrative fees paid under section (b).

10 **SEC. 1109. CLARIFICATION OF HATCH ACT.**

11 No Federal employee or individual who, before the
12 date of the enactment of this Act, was employed in the
13 Office of the Department of Defense Inspector General
14 and transferred to a Special Court sponsored by the
15 United Nations pursuant to the authority described in sec-
16 tion 3582(a) of title 5, United States Code, shall be sub-
17 ject to enforcement of the provisions of section 7326 of
18 such title, except that this section shall not apply in the
19 event that such employee or individual subsequently be-
20 comes reemployed in the civil service.

21 **SEC. 1110. EMPLOYEE SURVEYS.**

22 (a) IN GENERAL.—Each agency shall conduct an an-
23 nual survey of its employees (including survey questions
24 unique to the agency and questions prescribed under sub-
25 section (b)) to assess—

1 (1) leadership and management practices that
2 contribute to agency performance; and

3 (2) employee satisfaction with—

4 (A) leadership policies and practices;

5 (B) work environment;

6 (C) rewards and recognition for profes-
7 sional accomplishment and personal contribu-
8 tions to achieving organizational mission;

9 (D) opportunity for professional develop-
10 ment and growth; and

11 (E) opportunity to contribute to achieving
12 organizational mission.

13 (b) REGULATIONS.—The Office of Personnel Man-
14 agement shall issue regulations prescribing survey ques-
15 tions that should appear on all agency surveys under sub-
16 section (a) in order to allow a comparison across agencies.

17 (c) AVAILABILITY OF RESULTS.—The results of the
18 agency surveys under subsection (a) shall be made avail-
19 able to the public and posted on the website of the agency
20 involved, unless the head of such agency determines that
21 doing so would jeopardize or negatively impact national
22 security.

23 (d) AGENCY DEFINED.—For purposes of this section,
24 the term “agency” means an Executive agency (as defined
25 by section 105 of title 5, United States Code).

1 **SEC. 1111. HUMAN CAPITAL PERFORMANCE FUND.**

2 (a) IN GENERAL.—Subpart D of part III of title 5,
3 United States Code, is amended by inserting after chapter
4 53 the following:

5 **“CHAPTER 54—HUMAN CAPITAL**
6 **PERFORMANCE FUND**

“Sec.

“5401. Purpose.

“5402. Definitions.

“5403. Human Capital Performance Fund.

“5404. Human capital performance payments.

“5405. Regulations.

“5406. Agency plan.

“5407. Nature of payment.

“5408. Appropriations.

7 **“§ 5401. Purpose**

8 “The purpose of this chapter is to promote, through
9 the creation of a Human Capital Performance Fund,
10 greater performance in the Federal Government. Monies
11 from the Fund will be used to reward agencies’ highest
12 performing and most valuable employees. This Fund will
13 offer Federal managers a new tool to recognize employee
14 performance that is critical to the achievement of agency
15 missions.

16 **“§ 5402. Definitions**

17 “For the purpose of this chapter—

18 “(1) ‘agency’ means an Executive agency under
19 section 105, but does not include the General Ac-
20 counting Office;

21 “(2) ‘employee’ includes—

1 “(A) an individual paid under a statutory
2 pay system defined in section 5302(1);

3 “(B) a prevailing rate employee, as defined
4 in section 5342(a)(2); and

5 “(C) a category of employees included by
6 the Office of Personnel Management following
7 the review of an agency plan under section
8 5403(b)(1);

9 but does not include—

10 “(i) an individual paid at an annual rate of
11 basic pay for a level of the Executive Schedule,
12 under subchapter II of chapter 53, or at a rate
13 provided for one of those levels under another
14 provision of law;

15 “(ii) a member of the Senior Executive
16 Service paid under subchapter VIII of chapter
17 53, or an equivalent system;

18 “(iii) an administrative law judge paid
19 under section 5372;

20 “(iv) a contract appeals board member
21 paid under section 5372a;

22 “(v) an administrative appeals judge paid
23 under section 5372b; and

24 “(vi) an individual in a position which is
25 excepted from the competitive service because of

1 its confidential, policy-determining, policy-mak-
2 ing, or policy-advocating character; and

3 “(3) ‘Office’ means the Office of Personnel
4 Management.

5 **“§ 5403. Human Capital Performance Fund**

6 “(a) There is hereby established the Human Capital
7 Performance Fund, to be administered by the Office for
8 the purpose of this chapter.

9 “(b)(1)(A) An agency shall submit a plan as de-
10 scribed in section 5406 to be eligible for consideration by
11 the Office for an allocation under this section. An alloca-
12 tion shall be made only upon approval by the Office of
13 an agency’s plan.

14 “(B)(i) After the reduction for training required
15 under section 5408, ninety percent of the remaining
16 amount appropriated to the Fund may be allocated by the
17 Office to the agencies. Of the amount to be allocated, an
18 agency’s pro rata distribution may not exceed its pro rata
19 share of Executive branch payroll.

20 “(ii) If the Office does not allocate an agency’s full
21 pro rata share, the undistributed amount remaining from
22 that share will become available for distribution to other
23 agencies, as provided in subparagraph (C).

24 “(C)(i) After the reduction for training under section
25 5408, ten percent of the remaining amount appropriated

1 to the Fund, as well as the amount of the pro rata share
2 not distributed because of an agency's failure to submit
3 a satisfactory plan, shall be allocated among agencies with
4 exceptionally high-quality plans.

5 “(ii) An agency with an exceptionally high-quality
6 plan is eligible to receive an additional distribution in addi-
7 tion to its full pro rata distribution.

8 “(2) Each agency is required to provide to the Office
9 such payroll information as the Office specifies necessary
10 to determine the Executive branch payroll.

11 **“§ 5404. Human capital performance payments**

12 “(a)(1) Notwithstanding any other provision of law,
13 the Office may authorize an agency to provide human cap-
14 ital performance payments to individual employees based
15 on exceptional performance contributing to the achieve-
16 ment of the agency mission.

17 “(2) The number of employees in an agency receiving
18 payments from the Fund, in any year, shall not be more
19 than the number equal to 15 percent of the agency's aver-
20 age total civilian full- and part-time permanent employ-
21 ment for the previous fiscal year.

22 “(b)(1) A human capital performance payment pro-
23 vided to an individual employee from the Fund, in any
24 year, shall not exceed 10 percent of the employee's rate
25 of basic pay.

1 “(2) The aggregate of an employee’s rate of basic
2 pay, adjusted by any locality-based comparability pay-
3 ments, and human capital performance pay, as defined by
4 regulation, may not exceed the rate of basic pay for Execu-
5 tive Level IV in any year.

6 “(3) Any human capital performance payment pro-
7 vided to an employee from the Fund is in addition to any
8 annual pay adjustment (under section 5303 or any similar
9 provision of law) and any locality-based comparability pay-
10 ment that may apply.

11 “(c) No monies from the Human Capital Perform-
12 ance Fund may be used to pay for a new position, for
13 other performance-related payments, or for recruitment or
14 retention incentives paid under sections 5753 and 5754.

15 “(d)(1) An agency may finance initial human capital
16 performance payments using monies from the Human
17 Capital Performance Fund, as available.

18 “(2) In subsequent years, continuation of previously
19 awarded human capital performance payments shall be fi-
20 nanced from other agency funds available for salaries and
21 expenses.

22 **“§ 5405. Regulations**

23 “The Office shall issue such regulations as it deter-
24 mines to be necessary for the administration of this chap-

1 ter, including the administration of the Fund. The Office's
2 regulations shall include criteria governing—

3 “(1) an agency plan under section 5406;

4 “(2) the allocation of monies from the Fund to
5 agencies;

6 “(3) the nature, extent, duration, and adjust-
7 ment of, and approval processes for, payments to in-
8 dividual employees under this chapter;

9 “(4) the relationship to this chapter of agency
10 performance management systems;

11 “(5) training of supervisors, managers, and
12 other individuals involved in the process of making
13 performance distinctions; and

14 “(6) the circumstances under which funds may
15 be allocated by the Office to an agency in amounts
16 below or in excess of the agency's pro rata share.

17 **“§ 5406. Agency plan**

18 “(a) To be eligible for consideration by the Office for
19 an allocation under this section, an agency shall—

20 “(1) develop a plan that incorporates the fol-
21 lowing elements:

22 “(A) adherence to merit principles set
23 forth in section 2301;

24 “(B) a fair, credible, and transparent em-
25 ployee performance appraisal system;

1 “(C) a link between the pay-for-perform-
2 ance system, the employee performance ap-
3 praisal system, and the agency’s strategic plan;

4 “(D) a means for ensuring employee in-
5 volvement in the design and implementation of
6 the system;

7 “(E) adequate training and retraining for
8 supervisors, managers, and employees in the
9 implementation and operation of the pay-for-
10 performance system;

11 “(F) a process for ensuring ongoing per-
12 formance feedback and dialogue between super-
13 visors, managers, and employees throughout the
14 appraisal period, and setting timetables for re-
15 view;

16 “(G) effective safeguards to ensure that
17 the management of the system is fair and equi-
18 table and based on employee performance; and

19 “(H) a means for ensuring that adequate
20 agency resources are allocated for the design,
21 implementation, and administration of the pay-
22 for-performance system;

23 “(2) upon approval, receive an allocation of
24 funding from the Office;

1 “(3) make payments to individual employees in
2 accordance with the agency’s approved plan; and

3 “(4) provide such information to the Office re-
4 garding payments made and use of funds received
5 under this section as the Office may specify.

6 “(b) The Office, in consultation with the Chief
7 Human Capital Officers Council, shall review and approve
8 an agency’s plan before the agency is eligible to receive
9 an allocation of funding from the Office.

10 “(c) The Chief Human Capital Officers Council shall
11 include in its annual report to Congress under section
12 1303(d) of the Homeland Security Act of 2002 an evalua-
13 tion of the formulation and implementation of agency per-
14 formance management systems.

15 **“§ 5407. Nature of payment**

16 “Any payment to an employee under this section shall
17 be part of the employee’s basic pay for the purposes of
18 subchapter III of chapter 83, and chapters 84 and 87,
19 and for such other purposes (other than chapter 75) as
20 the Office shall determine by regulation.

21 **“§ 5408. Appropriations**

22 “There is authorized to be appropriated
23 \$500,000,000 for fiscal year 2004, and, for each subse-
24 quent fiscal year, such sums as may be necessary to carry
25 out the provisions of this chapter. In the first year of im-

1 plementation, up to 10 percent of the amount appro-
 2 priated to the Fund shall be available to participating
 3 agencies to train supervisors, managers, and other individ-
 4 uals involved in the appraisal process on using perform-
 5 ance management systems to make meaningful distine-
 6 tions in employee performance and on the use of the
 7 Fund.”.

8 (b) CLERICAL AMENDMENT.—The table of chapters
 9 for part III of title 5, United States Code, is amended
 10 by inserting after the item relating to chapter 53 the fol-
 11 lowing:

“54. Human Capital Performance Fund 5401”.

12 **Subtitle B—Department of Defense**
 13 **National Security Personnel**
 14 **System**

15 **SEC. 1121. DEPARTMENT OF DEFENSE NATIONAL SECURITY**
 16 **PERSONNEL SYSTEM.**

17 (a) IN GENERAL.—(1) Subpart I of part III of title
 18 5, United States Code, is amended by adding at the end
 19 the following new chapter:

20 **“CHAPTER 99—DEPARTMENT OF DEFENSE**
 21 **NATIONAL SECURITY PERSONNEL SYSTEM**

“Sec.

“9901. Definitions.

“9902. Establishment of human resources management system.

“9903. Attracting highly qualified experts.

“9904. Employment of older Americans.

“9905. Special pay and benefits for certain employees outside the United States.

1 **“§ 9901. Definitions**

2 “For purposes of this chapter—

3 “(1) the term ‘Director’ means the Director of
4 the Office of Personnel Management; and

5 “(2) the term ‘Secretary’ means the Secretary
6 of Defense.

7 **“§ 9902. Establishment of human resources manage-**
8 **ment system**

9 “(a) IN GENERAL.—Notwithstanding any other pro-
10 vision of this part, the Secretary may, in regulations pre-
11 scribed jointly with the Director, establish, and from time
12 to time adjust, a human resources management system for
13 some or all of the organizational or functional units of the
14 Department of Defense. If the Secretary certifies that
15 issuance or adjustment of a regulation, or the inclusion,
16 exclusion, or modification of a particular provision therein,
17 is essential to the national security, the Secretary may,
18 subject to the decision of the President, waive the require-
19 ment in the preceding sentence that the regulation or ad-
20 justment be issued jointly with the Director.

21 “(b) SYSTEM REQUIREMENTS.—Any system estab-
22 lished under subsection (a) shall—

23 “(1) be flexible;

24 “(2) be contemporary;

1 “(3) not waive, modify, or otherwise affect—

2 “(A) the public employment principles of
3 merit and fitness set forth in section 2301, in-
4 cluding the principles of hiring based on merit,
5 fair treatment without regard to political affili-
6 ation or other nonmerit considerations, equal
7 pay for equal work, and protection of employees
8 against reprisal for whistleblowing;

9 “(B) any provision of section 2302, relat-
10 ing to prohibited personnel practices;

11 “(C)(i) any provision of law referred to in
12 section 2302(b)(1), (8), and (9); or

13 “(ii) any provision of law implementing
14 any provision of law referred to in section
15 2302(b)(1), (8), and (9) by—

16 “(I) providing for equal employment
17 opportunity through affirmative action; or

18 “(II) providing any right or remedy
19 available to any employee or applicant for
20 employment in the public service;

21 “(D) any other provision of this part (as
22 described in subsection (c)); or

23 “(E) any rule or regulation prescribed
24 under any provision of law referred to in this
25 paragraph;

1 “(4) ensure that employees may organize, bar-
2 gain collectively as provided for in this chapter, and
3 participate through labor organizations of their own
4 choosing in decisions which affect them, subject to
5 the provisions of this chapter and any exclusion from
6 coverage or limitation on negotiability established
7 pursuant to law;

8 “(5) not be limited by any specific law or au-
9 thority under this title that is waivable under this
10 chapter or by any provision of this chapter or any
11 rule or regulation prescribed under this title that is
12 waivable under this chapter, except as specifically
13 provided for in this section; and

14 “(6) include a performance management system
15 that incorporates the following elements:

16 “(A) adherence to merit principles set
17 forth in section 2301;

18 “(B) a fair, credible, and transparent em-
19 ployee performance appraisal system;

20 “(C) a link between the performance man-
21 agement system and the agency’s strategic
22 plan;

23 “(D) a means for ensuring employee in-
24 volvement in the design and implementation of
25 the system;

1 “(E) adequate training and retraining for
2 supervisors, managers, and employees in the
3 implementation and operation of the perform-
4 ance management system;

5 “(F) a process for ensuring ongoing per-
6 formance feedback and dialogue between super-
7 visors, managers, and employees throughout the
8 appraisal period, and setting timetables for re-
9 view;

10 “(G) effective safeguards to ensure that
11 the management of the system is fair and equi-
12 table and based on employee performance; and

13 “(H) a means for ensuring that adequate
14 agency resources are allocated for the design,
15 implementation, and administration of the per-
16 formance management system.

17 “(c) OTHER NONWAIVABLE PROVISIONS.—The other
18 provisions of this part referred to in subsection (b)(3)(D)
19 are (to the extent not otherwise specified in this title)—

20 “(1) subparts A, B, E, G, and H of this part;
21 and

22 “(2) chapters 41, 45, 47, 55 (except subchapter
23 V thereof), 57, 59, 72, 73, and 79, and this chapter.

24 “(d) LIMITATIONS RELATING TO PAY.—(1) Nothing
25 in this section shall constitute authority to modify the pay

1 of any employee who serves in an Executive Schedule posi-
2 tion under subchapter II of chapter 53 of this title.

3 “(2) Except as provided for in paragraph (1), the
4 total amount in a calendar year of allowances, differen-
5 tials, bonuses, awards, or other similar cash payments
6 paid under this title to any employee who is paid under
7 section 5376 or 5383 of this title or under title 10 or
8 under other comparable pay authority established for pay-
9 ment of Department of Defense senior executive or equiva-
10 lent employees may not exceed the total annual compensa-
11 tion payable to the Vice President under section 104 of
12 title 3.

13 “(3) To the maximum extent practicable, the rates
14 of compensation for civilian employees at the Department
15 of Defense shall be adjusted at the same rate, and in the
16 same proportion, as are rates of compensation for mem-
17 bers of the uniformed services.

18 “(e) PROVISIONS TO ENSURE COLLABORATION WITH
19 EMPLOYEE REPRESENTATIVES.—(1) In order to ensure
20 that the authority of this section is exercised in collabora-
21 tion with, and in a manner that ensures the participation
22 of, employee representatives in the planning, development,
23 and implementation of any human resources management
24 system or adjustments to such system under this section,

1 the Secretary and the Director shall provide for the fol-
2 lowing:

3 “(A) The Secretary and the Director shall, with
4 respect to any proposed system or adjustment—

5 “(i) provide to the employee representa-
6 tives representing any employees who might be
7 affected a written description of the proposed
8 system or adjustment (including the reasons
9 why it is considered necessary);

10 “(ii) give such representatives at least 30
11 calendar days (unless extraordinary cir-
12 cumstances require earlier action) to review and
13 make recommendations with respect to the pro-
14 posal; and

15 “(iii) give any recommendations received
16 from such representatives under clause (ii) full
17 and fair consideration in deciding whether or
18 how to proceed with the proposal.

19 “(B) Following receipt of recommendations, if
20 any, from such employee representatives with re-
21 spect to a proposal described in subparagraph (A),
22 the Secretary and the Director shall accept such
23 modifications to the proposal in response to the rec-
24 ommendations as they determine advisable and shall,

1 with respect to any parts of the proposal as to which
2 they have not accepted the recommendations—

3 “(i) notify Congress of those parts of the
4 proposal, together with the recommendations of
5 the employee representatives;

6 “(ii) meet and confer for not less than 30
7 calendar days with the employee representa-
8 tives, in order to attempt to reach agreement on
9 whether or how to proceed with those parts of
10 the proposal; and

11 “(iii) at the Secretary’s option, or if re-
12 quested by a majority of the employee rep-
13 resentatives participating, use the services of
14 the Federal Mediation and Conciliation Service
15 during such meet and confer period to facilitate
16 the process of attempting to reach agreement.

17 “(C)(i) Any part of the proposal as to which the
18 representatives do not make a recommendation, or
19 as to which the recommendations are accepted by
20 the Secretary and the Director, may be implemented
21 immediately.

22 “(ii) With respect to any parts of the proposal
23 as to which recommendations have been made but
24 not accepted by the Secretary and the Director, at
25 any time after 30 calendar days have elapsed since

1 the initiation of the congressional notification, con-
2 sultation, and mediation procedures set forth in sub-
3 paragraph (B), if the Secretary, in his discretion,
4 determines that further consultation and mediation
5 is unlikely to produce agreement, the Secretary may
6 implement any or all of such parts (including any
7 modifications made in response to the recommenda-
8 tions as the Secretary determines advisable), but
9 only after 30 days have elapsed after notifying Con-
10 gress of the decision to implement the part or parts
11 involved (as so modified, if applicable).

12 “(iii) The Secretary shall notify Congress
13 promptly of the implementation of any part of the
14 proposal and shall furnish with such notice an expla-
15 nation of the proposal, any changes made to the pro-
16 posal as a result of recommendations from the em-
17 ployee representatives, and of the reasons why im-
18 plementation is appropriate under this subpara-
19 graph.

20 “(D) If a proposal described in subparagraph
21 (A) is implemented, the Secretary and the Director
22 shall—

23 “(i) develop a method for the employee
24 representatives to participate in any further

1 planning or development which might become
2 necessary; and

3 “(ii) give the employee representatives ade-
4 quate access to information to make that par-
5 ticipation productive.

6 “(2) The Secretary may, at the Secretary’s discre-
7 tion, engage in any and all collaboration activities de-
8 scribed in this subsection at an organizational level above
9 the level of exclusive recognition.

10 “(3) In the case of any employees who are not within
11 a unit with respect to which a labor organization is ac-
12 corded exclusive recognition, the Secretary and the Direc-
13 tor may develop procedures for representation by any ap-
14 propriate organization which represents a substantial per-
15 centage of those employees or, if none, in such other man-
16 ner as may be appropriate, consistent with the purposes
17 of this subsection.

18 “(f) PROVISIONS REGARDING NATIONAL LEVEL
19 BARGAINING.—(1) Any human resources management
20 system implemented or modified under this chapter may
21 include employees of the Department of Defense from any
22 bargaining unit with respect to which a labor organization
23 has been accorded exclusive recognition under chapter 71
24 of this title.

1 “(2) For any bargaining unit so included under para-
2 graph (1), the Secretary may bargain at an organizational
3 level above the level of exclusive recognition. Any such bar-
4 gaining shall—

5 “(A) be binding on all subordinate bargaining
6 units at the level of recognition and their exclusive
7 representatives, and the Department of Defense and
8 its subcomponents, without regard to levels of rec-
9 ognition;

10 “(B) supersede all other collective bargaining
11 agreements, including collective bargaining agree-
12 ments negotiated with an exclusive representative at
13 the level of recognition, except as otherwise deter-
14 mined by the Secretary;

15 “(C) not be subject to further negotiations for
16 any purpose, including bargaining at the level of rec-
17 ognition, except as provided for by the Secretary;
18 and

19 “(D) except as otherwise specified in this chap-
20 ter, not be subject to review or to statutory third-
21 party dispute resolution procedures outside the De-
22 partment of Defense.

23 “(3) The National Guard Bureau and the Army and
24 Air Force National Guard are excluded from coverage
25 under this subsection.

1 “(4) Any bargaining completed pursuant to this sub-
2 section with a labor organization not otherwise having na-
3 tional consultation rights with the Department of Defense
4 or its subcomponents shall not create any obligation on
5 the Department of Defense or its subcomponents to confer
6 national consultation rights on such a labor organization.

7 “(g) PROVISIONS RELATING TO APPELLATE PROCE-
8 DURES.—(1) The Secretary shall—

9 “(A) establish an appeals process that provides
10 that employees of the Department of Defense are
11 entitled to fair treatment in any appeals that they
12 bring in decisions relating to their employment; and

13 “(B) in prescribing regulations for any such ap-
14 peals process—

15 “(i) ensure that employees of the Depart-
16 ment of Defense are afforded the protections of
17 due process; and

18 “(ii) toward that end, be required to con-
19 sult with the Merit Systems Protection Board
20 before issuing any such regulations.

21 “(2) Any regulations establishing the appeals process
22 required by paragraph (1) that relate to any matters with-
23 in the purview of chapter 77 shall—

24 “(A) provide for an independent review panel,
25 appointed by the President, which shall not include

1 the Secretary or the Deputy Secretary of Defense or
2 any of their subordinates;

3 “(B) be issued only after—

4 “(i) notification to the appropriate commit-
5 tees of Congress; and

6 “(ii) consultation with the Merit Systems
7 Protection Board and the Equal Employment
8 Opportunity Commission;

9 “(C) ensure the availability of procedures
10 that—

11 “(i) are consistent with requirements of
12 due process; and

13 “(ii) provide, to the maximum extent prac-
14 ticable, for the expeditious handling of any mat-
15 ters involving the Department of Defense; and

16 “(D) modify procedures under chapter 77 only
17 insofar as such modifications are designed to further
18 the fair, efficient, and expeditious resolution of mat-
19 ters involving the employees of the Department of
20 Defense.

21 “(h) PROVISIONS RELATED TO SEPARATION AND RE-
22 TIREMENT INCENTIVES.—(1) The Secretary may establish
23 a program within the Department of Defense under which
24 employees may be eligible for early retirement, offered sep-
25 aration incentive pay to separate from service voluntarily,

1 or both. This authority may be used to reduce the number
2 of personnel employed by the Department of Defense or
3 to restructure the workforce to meet mission objectives
4 without reducing the overall number of personnel. This au-
5 thority is in addition to, and notwithstanding, any other
6 authorities established by law or regulation for such pro-
7 grams.

8 “(2) For purposes of this section, the term ‘employee’
9 means an employee of the Department of Defense, serving
10 under an appointment without time limitation, except that
11 such term does not include—

12 “(A) a reemployed annuitant under subchapter
13 III of chapter 83 or chapter 84 of this title, or an-
14 other retirement system for employees of the Fed-
15 eral Government;

16 “(B) an employee having a disability on the
17 basis of which such employee is or would be eligible
18 for disability retirement under any of the retirement
19 systems referred to in paragraph (1); or

20 “(C) for purposes of eligibility for separation
21 incentives under this section, an employee who is in
22 receipt of a decision notice of involuntary separation
23 for misconduct or unacceptable performance.

24 “(3) An employee who is at least 50 years of age and
25 has completed 20 years of service, or has at least 25 years

1 of service, may, pursuant to regulations promulgated
2 under this section, apply and be retired from the Depart-
3 ment of Defense and receive benefits in accordance with
4 chapter 83 or 84 if the employee has been employed con-
5 tinuously within the Department of Defense for more than
6 30 days before the date on which the determination to con-
7 duct a reduction or restructuring within 1 or more Depart-
8 ment of Defense components is approved pursuant to the
9 program established under subsection (a).

10 “(4)(A) Separation pay shall be paid in a lump sum
11 or in installments and shall be equal to the lesser of—

12 “(i) an amount equal to the amount the em-
13 ployee would be entitled to receive under section
14 5595(c) of this title, if the employee were entitled to
15 payment under such section; or

16 “(ii) \$25,000.

17 “(B) Separation pay shall not be a basis for payment,
18 and shall not be included in the computation, of any other
19 type of Government benefit. Separation pay shall not be
20 taken into account for the purpose of determining the
21 amount of any severance pay to which an individual may
22 be entitled under section 5595 of this title, based on any
23 other separation.

24 “(C) Separation pay, if paid in installments, shall
25 cease to be paid upon the recipient’s acceptance of employ-

1 ment by the Federal Government, or commencement of
2 work under a personal services contract as described in
3 paragraph (5).

4 “(5)(A) An employee who receives separation pay
5 under such program may not be reemployed by the De-
6 partment of Defense for a 12-month period beginning on
7 the effective date of the employee’s separation, unless this
8 prohibition is waived by the Secretary on a case-by-case
9 basis.

10 “(B) An employee who receives separation pay under
11 this section on the basis of a separation occurring on or
12 after the date of the enactment of the Federal Workforce
13 Restructuring Act of 1994 (Public Law 103–236; 108
14 Stat. 111) and accepts employment with the Government
15 of the United States, or who commences work through a
16 personal services contract with the United States within
17 5 years after the date of the separation on which payment
18 of the separation pay is based, shall be required to repay
19 the entire amount of the separation pay to the Depart-
20 ment of Defense. If the employment is with an Executive
21 agency (as defined by section 105 of this title) other than
22 the Department of Defense, the Director may, at the re-
23 quest of the head of that agency, waive the repayment if
24 the individual involved possesses unique abilities and is the
25 only qualified applicant available for the position. If the

1 employment is within the Department of Defense, the Sec-
2 retary may waive the repayment if the individual involved
3 is the only qualified applicant available for the position.
4 If the employment is with an entity in the legislative
5 branch, the head of the entity or the appointing official
6 may waive the repayment if the individual involved pos-
7 sesses unique abilities and is the only qualified applicant
8 available for the position. If the employment is with the
9 judicial branch, the Director of the Administrative Office
10 of the United States Courts may waive the repayment if
11 the individual involved possesses unique abilities and is the
12 only qualified applicant available for the position.

13 “(6) Under this program, early retirement and sepa-
14 ration pay may be offered only pursuant to regulations
15 established by the Secretary, subject to such limitations
16 or conditions as the Secretary may require.

17 “(i) PROVISIONS RELATING TO REEMPLOYMENT.—
18 If annuitant receiving an annuity from the Civil Service
19 Retirement and Disability Fund becomes employed in a
20 position within the Department of Defense, his annuity
21 shall continue. An annuitant so reemployed shall not be
22 considered an employee for purposes of chapter 83 or 84.

23 “(j) ADDITIONAL PROVISIONS RELATING TO PER-
24 SONNEL MANAGEMENT.—Notwithstanding subsection (c),
25 the Secretary may exercise authorities that would other-

1 wise be available to the Secretary under paragraphs (1),
2 (3), and (8) of section 4703(a) of this title.

3 **“§ 9903. Attracting highly qualified experts**

4 “(a) IN GENERAL.—The Secretary may carry out a
5 program using the authority provided in subsection (b) in
6 order to attract highly qualified experts in needed occupa-
7 tions, as determined by the Secretary.

8 “(b) AUTHORITY.—Under the program, the Sec-
9 retary may—

10 “(1) appoint personnel from outside the civil
11 service and uniformed services (as such terms are
12 defined in section 2101 of this title) to positions in
13 the Department of Defense without regard to any
14 provision of this title governing the appointment of
15 employees to positions in the Department of De-
16 fense;

17 “(2) prescribe the rates of basic pay for posi-
18 tions to which employees are appointed under para-
19 graph (1) at rates not in excess of the maximum
20 rate of basic pay authorized for senior-level positions
21 under section 5376 of this title, as increased by lo-
22 cality-based comparability payments under section
23 5304 of this title, notwithstanding any provision of
24 this title governing the rates of pay or classification
25 of employees in the executive branch; and

1 “(3) pay any employee appointed under para-
2 graph (1) payments in addition to basic pay within
3 the limits applicable to the employee under sub-
4 section (d).

5 “(c) LIMITATION ON TERM OF APPOINTMENT.—(1)
6 Except as provided in paragraph (2), the service of an em-
7 ployee under an appointment made pursuant to this sec-
8 tion may not exceed 5 years.

9 “(2) The Secretary may, in the case of a particular
10 employee, extend the period to which service is limited
11 under paragraph (1) by up to 1 additional year if the Sec-
12 retary determines that such action is necessary to promote
13 the Department of Defense’s national security missions.

14 “(d) LIMITATIONS ON ADDITIONAL PAYMENTS.—(1)
15 The total amount of the additional payments paid to an
16 employee under this section for any 12-month period may
17 not exceed the lesser of the following amounts:

18 “(A) \$50,000 in fiscal year 2004, which may be
19 adjusted annually thereafter by the Secretary, with
20 a percentage increase equal to one-half of 1 percent-
21 age point less than the percentage by which the Em-
22 ployment Cost Index, published quarterly by the Bu-
23 reau of Labor Statistics, for the base quarter of the
24 year before the preceding calendar year exceeds the

1 Employment Cost Index for the base quarter of the
2 second year before the preceding calendar year.

3 “(B) The amount equal to 50 percent of the
4 employee’s annual rate of basic pay.

5 For purposes of this paragraph, the term ‘base quarter’
6 has the meaning given such term by section 5302(3).

7 “(2) An employee appointed under this section is not
8 eligible for any bonus, monetary award, or other monetary
9 incentive for service except for payments authorized under
10 this section.

11 “(3) Notwithstanding any other provision of this sub-
12 section or of section 5307, no additional payments may
13 be paid to an employee under this section in any calendar
14 year if, or to the extent that, the employee’s total annual
15 compensation will exceed the maximum amount of total
16 annual compensation payable at the salary set in accord-
17 ance with section 104 of title 3.

18 “(e) SAVINGS PROVISIONS.—In the event that the
19 Secretary terminates this program, in the case of an em-
20 ployee who, on the day before the termination of the pro-
21 gram, is serving in a position pursuant to an appointment
22 under this section—

23 “(1) the termination of the program does not
24 terminate the employee’s employment in that posi-
25 tion before the expiration of the lesser of—

1 “(A) the period for which the employee
2 was appointed; or

3 “(B) the period to which the employee’s
4 service is limited under subsection (c), including
5 any extension made under this section before
6 the termination of the program; and

7 “(2) the rate of basic pay prescribed for the po-
8 sition under this section may not be reduced as long
9 as the employee continues to serve in the position
10 without a break in service.

11 **“§ 9904. Employment of older Americans**

12 “(a) IN GENERAL.—Notwithstanding any other pro-
13 vision of law, the Secretary may appoint older Americans
14 into positions in the excepted service for a period not to
15 exceed 2 years, provided that—

16 “(1) any such appointment shall not result in—

17 “(A) the displacement of individuals cur-
18 rently employed by the Department of Defense
19 (including partial displacement through reduc-
20 tion of nonovertime hours, wages, or employ-
21 ment benefits); or

22 “(B) the employment of any individual
23 when any other person is in a reduction-in-force
24 status from the same or substantially equivalent
25 job within the Department of Defense; and

“(c) EXTENSION OF APPOINTMENT.—Notwith-
standing subsection (a), the Secretary may extend an ap-
pointment made pursuant to this section for up to an addi-
tional 2 years if the individual employee possesses unique
knowledge or abilities that are not otherwise available to
the Department of Defense.

20 **“§ 9905. Special pay and benefits for certain employ-**
21 **ees outside the United States**

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1 abroad hazardous to life or health or so specialized be-
 2 cause of security requirements as to be clearly distinguish-
 3 able from normal Government employment—

4 “(1) allowances and benefits—

5 “(A) comparable to those provided by the
 6 Secretary of State to members of the Foreign
 7 Service under chapter 9 of title I of the Foreign
 8 Service Act of 1980 (Public Law 96–465, 22
 9 U.S.C. 4081 et seq.) or any other provision of
 10 law; or

11 “(B) comparable to those provided by the
 12 Director of Central Intelligence to personnel of
 13 the Central Intelligence Agency; and

14 “(2) special retirement accrual benefits and dis-
 15 ability in the same manner provided for by the Cen-
 16 tral Intelligence Agency Retirement Act (50 U.S.C.
 17 2001 et seq.) and in section 18 of the Central Intel-
 18 ligence Agency Act of 1949 (50 U.S.C. 403r).”.

19 (2) The table of chapters for part III of such title
 20 is amended by adding at the end of subpart I the following
 21 new item:

“99. Department of Defense National Security Personnel System 9901”.

22 (b) IMPACT ON DEPARTMENT OF DEFENSE CIVILIAN
 23 PERSONNEL.—(1) Any exercise of authority under chap-
 24 ter 99 of such title (as added by subsection (a)), including
 25 under any system established under such chapter, shall

1 be in conformance with the requirements of this sub-
2 section.

3 (2) No other provision of this Act or of any amend-
4 ment made by this Act may be construed or applied in
5 a manner so as to limit, supersede, or otherwise affect the
6 provisions of this section, except to the extent that it does
7 so by specific reference to this section.

8 **TITLE XII—MATTERS RELATING**
9 **TO OTHER NATIONS**

10 **SEC. 1201. EXPANSION OF AUTHORITY TO PROVIDE ADMIN-**
11 **ISTRATIVE SUPPORT AND SERVICES AND**
12 **TRAVEL AND SUBSISTENCE EXPENSES FOR**
13 **CERTAIN FOREIGN LIAISON OFFICERS.**

14 (a) ADMINISTRATIVE SUPPORT AND SERVICES.—
15 Subsection (a) of section 1051a of title 10, United States
16 Code, is amended—

17 (1) by striking “involved in a coalition with the
18 United States”;

19 (2) by striking “temporarily”; and

20 (3) by striking “ in connection with the plan-
21 ning for, or conduct of, a coalition operation”.

22 (b) TRAVEL, SUBSISTENCE, AND OTHER EX-
23 PENSES.—Subsection (b) of such section is amended—

24 (1) by striking “(1)”;

1 (2) by striking “expenses specified in paragraph
2 (2)” and inserting “travel, subsistence, and similar
3 personal expenses”;

4 (3) by striking “developing country” and insert-
5 ing “developing nation”;

6 (4) by striking “in connection with the assign-
7 ment of that officer to the headquarters of a com-
8 batant command as described in subsection (a)” and
9 inserting “involved in a coalition while the liaison of-
10 ficer is assigned temporarily to a headquarters de-
11 scribed in subsection (a) in connection with the plan-
12 ning for, or conduct of, a coalition operation”; and

13 (5) by striking paragraph (2).

14 (c) REIMBURSEMENT.—Subsection (c) of such sec-
15 tion is amended by striking “by” before “subsection (a)”
16 and inserting “under”.

17 (d) CLERICAL AMENDMENTS.—(1) The heading for
18 section 1051a of such title is amended to read as follows:

19 **“§ 1051a. Foreign officers: administrative services**
20 **and support; travel, subsistence, and**
21 **other personal expenses”.**

22 (2) The subsection heading for subsection (a) of such
23 section is amended by striking “AUTHORITY” and insert-
24 ing “ADMINISTRATIVE SERVICES AND SUPPORT”.

1 (3) The item relating to such section in the table of
2 sections at the beginning of chapter 53 of such title is
3 amended to read as follows:

“1051a. Foreign officers: administrative services and support; travel, subsistence, and other personal expenses.”.

4 **SEC. 1202. RECOGNITION OF SUPERIOR NONCOMBAT**
5 **ACHIEVEMENTS OR PERFORMANCE BY MEM-**
6 **BERS OF FRIENDLY FOREIGN FORCES AND**
7 **OTHER FOREIGN NATIONALS.**

8 (a) **AUTHORITY.**—Chapter 53 of title 10, United
9 States Code, is amended by inserting after section 1051a
10 the following new section:

11 **“§ 1051b. Bilateral or regional cooperation programs:**
12 **awards and mementos to recognize supe-**
13 **rior noncombat achievements or perform-**
14 **ance**

15 “(a) **GENERAL AUTHORITY.**—The Secretary of De-
16 fense may present awards and mementos purchased with
17 funds appropriated for operation and maintenance of the
18 armed forces to recognize superior noncombat achieve-
19 ments or performance by members of friendly foreign
20 forces and other foreign nationals that significantly en-
21 hance or support the National Security Strategy of the
22 United States.

1 “(b) ACTIVITIES THAT MAY BE RECOGNIZED.—Ac-
2 tivities that may be recognized under subsection (a) in-
3 clude superior achievement or performance that—

4 “(1) plays a crucial role in shaping the inter-
5 national security environment in ways that protect
6 and promote United States interests;

7 “(2) supports or enhances United States over-
8 seas presence and peacetime engagement activities,
9 including defense cooperation initiatives, security as-
10 sistance training and programs, and training and ex-
11 ercises with the armed forces;

12 “(3) helps to deter aggression and coercion,
13 build coalitions, and promote regional stability; or

14 “(4) serves as a role model for appropriate con-
15 duct by military forces in emerging democracies.

16 “(c) LIMITATION.—Expenditures for the purchase or
17 production of mementos for award under this section may
18 not exceed the ‘minimal value’ established in accordance
19 with section 7342(a)(5) of title 5.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of such chapter is amended by inserting
22 after the item relating to section 1051a the following new
23 item:

 “1051b. Bilateral or regional cooperation programs: awards and mementos to
 recognize superior noncombat achievements or performance.”.

1 **SEC. 1203. EXPANSION OF AUTHORITY TO WAIVE CHARGES**
2 **FOR COSTS OF ATTENDANCE AT GEORGE C.**
3 **MARSHALL EUROPEAN CENTER FOR SECU-**
4 **RITY STUDIES.**

5 Section 1306(b)(1) of the National Defense Author-
6 ization Act for Fiscal Year 1995 (Public Law 103-337;
7 108 Stat. 2892) is amended by striking “of cooperation
8 partner states of the North Atlantic Council or the Part-
9 nership for Peace” and inserting “from states located in
10 Europe or the territory of the former Soviet Union”.

11 **SEC. 1204. IDENTIFICATION OF GOODS AND TECH-**
12 **NOLOGIES CRITICAL FOR MILITARY SUPERI-**
13 **ORITY.**

14 (a) IN GENERAL.—(1) Subchapter II of chapter 148
15 of title 10, United States Code, is amended by adding at
16 the end the following new section:

17 **“§ 2508. Goods and technologies critical for military**
18 **superiority: list**

19 “(a) REQUIREMENT TO MAINTAIN LIST.—(1) The
20 Secretary of Defense shall maintain a list of any goods
21 or technology that, if obtained by a potential adversary,
22 could undermine the military superiority or qualitative
23 military advantage of the United States over potential ad-
24 versaries.

25 “(2) In this section, the term ‘goods or technology’
26 means—

1 “(A) any article, natural or manmade sub-
2 stance, material, supply, or manufactured product,
3 including inspection and test equipment; and

4 “(B) any information and know-how (whether
5 in tangible form, such as models, prototypes, draw-
6 ings, sketches, diagrams, blueprints, or manuals, or
7 in intangible form, such as training or technical
8 services) that can be used to design, produce, manu-
9 facture, utilize, or reconstruct goods, including com-
10 puter software and technical data.

11 “(b) MATTERS TO BE INCLUDED ON LIST.—The Sec-
12 retary shall include on the list the following:

13 “(1) Any technology or developing critical tech-
14 nology (including conventional weapons, weapons of
15 mass destruction, and delivery systems) that could
16 enhance a potential adversary’s military capabilities
17 or that is critical to the United States maintaining
18 its military superiority and qualitative military ad-
19 vantage.

20 “(2) Any dual-use good, material, or know-how
21 that could enhance a potential adversary’s military
22 capabilities or that is critical to the United States
23 maintaining its military superiority and qualitative
24 military advantage, including those used to manufac-

1 ture weapons of mass destruction and their associ-
2 ated delivery systems.

3 “(c) REQUIREMENTS.—The Secretary shall ensure
4 that—

5 “(1) the list is subject to a systematic, ongoing
6 assessment and analysis of dual-use technologies;
7 and

8 “(2) the list is updated not less often than
9 every two months.

10 “(d) AVAILABILITY.—The list shall be made avail-
11 able—

12 “(1) in unclassified form on the Department of
13 Defense public website, in a usable form; and

14 “(2) in classified form to the Committee on
15 Armed Services of the Senate and the Committee on
16 Armed Services of the House of Representatives.”.

17 (2) The table of sections at the beginning of such sub-
18 chapter is amended by adding at the end the following
19 new item:

 “2508. Goods and technologies critical for military superiority: list.”.

20 (b) DEADLINE FOR ESTABLISHMENT.—The list re-
21 quired by section 2508 of title 10, United States Code,
22 as added by subsection (a), shall be established not later
23 than 180 days after the enactment of this Act.

1 **SEC. 1205. REPORT ON ACQUISITION BY IRAQ OF AD-**
2 **VANCED WEAPONS.**

3 (a) REPORT.—Not later than one year after the date
4 of the enactment of this Act, the Secretary of Defense
5 shall submit to the Committees on Armed Services and
6 Foreign Relations of the Senate and the Committees on
7 Armed Services and International Relations of the House
8 of Representatives a report on the acquisition by Iraq of
9 weapons of mass destruction and associated delivery sys-
10 tems and the acquisition by Iraq of advanced conventional
11 weapons.

12 (b) MATTERS TO BE INCLUDED.—The report shall
13 include the following:

14 (1) A description of how Iraq was able to obtain
15 any materials, technology, and know-how for its nu-
16 clear, chemical, biological, ballistic missile, and un-
17 manned aerial vehicle programs, and advanced con-
18 ventional weapons programs, from 1979 through
19 April 2003 from entities (including Iraqi citizens)
20 outside of Iraq.

21 (2) An assessment of the degree to which
22 United States, foreign, and multilateral export con-
23 trol regimes prevented acquisition by Iraq of weap-
24 ons of mass destruction-related technology and ma-
25 terials and advanced conventional weapons and de-

1 livery systems since the commencement of inter-
2 national inspections in Iraq.

3 (3) An assessment of the effectiveness of
4 United Nations sanctions at halting the flow of mili-
5 tarily-useful contraband to Iraq from 1991 until the
6 end of Operation Iraqi Freedom.

7 (4) An assessment of how Iraq was able to
8 evade International Atomic Energy Agency and
9 United Nations inspections regarding chemical, nu-
10 clear, biological, and missile weapons and related ca-
11 pabilities.

12 (5) Identification and a catalogue of the entities
13 and countries that transferred militarily useful con-
14 traband to Iraq between 1991 and the end of Oper-
15 ation Iraqi Freedom, and the nature of that contra-
16 band.

17 (c) FORM OF REPORT.—The report shall be sub-
18 mitted in unclassified form with a classified annex, if nec-
19 essary.

1 **SEC. 1206. AUTHORITY FOR CHECK CASHING AND CUR-**
2 **RENCY EXCHANGE SERVICES TO BE PRO-**
3 **VIDED TO FOREIGN MILITARY MEMBERS**
4 **PARTICIPATING IN CERTAIN ACTIVITIES**
5 **WITH UNITED STATES FORCES.**

6 (a) **AUTHORITY.**—Subsection (b) of section 3342 of
7 title 31, United States Code, is amended by adding at the
8 end the following new paragraph:

9 “(8) A member of the military forces of an al-
10 lied or coalition nation who is participating in a joint
11 operation, joint exercise, humanitarian mission, or
12 peacekeeping mission with the Armed Forces of the
13 United States, but—

14 “(A) only if—

15 “(i) such disbursing official action for
16 members of the military forces of that na-
17 tion is approved by the senior United
18 States military commander assigned to
19 that operation or mission; and

20 “(ii) that nation has guaranteed pay-
21 ment for any deficiency resulting from
22 such disbursing official action; and

23 “(B) in the case of negotiable instruments,
24 only for a negotiable instrument drawn on a fi-
25 nancial institution located in the United States
26 or on a foreign branch of such an institution.”.

1 (b) TECHNICAL AMENDMENTS.—That subsection is
2 further amended—

3 (1) by striking “only for—” in the matter pre-
4 ceding paragraph (1) and inserting “only for the fol-
5 lowing:”;

6 (2) by striking “an” at the beginning of para-
7 graph (1) and inserting “An”;

8 (3) by striking “personnel” in paragraphs (2)
9 and (6) and inserting “Personnel”;

10 (4) by striking “a” at the beginning of para-
11 graphs (3), (4), (5), and (7) and inserting “A”;

12 (5) by striking the semicolon at the end of
13 paragraphs (1) through (5) and inserting a period;

14 (6) by striking “; or” at the end of paragraph
15 (6) and inserting a period; and

16 (7) by striking “1752(1))” in paragraph (7)
17 and inserting “1752(1)))”.

18 **SEC. 1207. REQUIREMENTS FOR TRANSFER TO FOREIGN**
19 **COUNTRIES OF CERTAIN SPECIFIED TYPES**
20 **OF EXCESS AIRCRAFT.**

21 (a) EXPANSION OF TRANSFER REQUIREMENT.—Sec-
22 tion 2581 of title 10, United States Code, is amended—

23 (1) in subsection (a)(1), by striking “UH-1
24 Huey helicopter or AH-1 Cobra helicopter” and in-

serting “UH–1 Huey aircraft, AH–1 Cobra aircraft,
T–2 Buckeye aircraft, or T–37 Tweet aircraft”; and
(2) by striking “helicopter” each subsequent
place it appears in such section and inserting “air-
craft”.

(b) CLERICAL AMENDMENTS.—(1) The heading of
such section is amended to read as follows:

**“§ 2581. Specified excess aircraft: requirements for
transfer to foreign countries”.**

(2) The item relating to such section in the table of
sections at the beginning of chapter 153 of such title is
amended to read as follows:

“2581. Specified excess aircraft: requirements for transfer to foreign coun-
tries.”.

**SEC. 1208. LIMITATION ON NUMBER OF UNITED STATES
MILITARY PERSONNEL IN COLOMBIA.**

(a) LIMITATION.—None of the funds available to the
Department of Defense for any fiscal year may be used
to support or maintain more than 500 members of the
Armed Forces on duty in the Republic of Colombia at any
time.

(b) EXCLUSION OF CERTAIN MEMBERS.—For pur-
poses of determining compliance with the limitation in
subsection (a), the Secretary of Defense may exclude the
following military personnel:

1 (1) A member of the Armed Forces in the Re-
2 public of Colombia for the purpose of rescuing or re-
3 trieving United States military or civilian Govern-
4 ment personnel, except that the period for which
5 such a member may be so excluded may not exceed
6 30 days unless expressly authorized by law.

7 (2) A member of the Armed Forces assigned to
8 the United States Embassy in Colombia as an
9 attaché, as a member of the security assistance of-
10 fice, or as a member of the Marine Corps security
11 contingent.

12 (3) A member of the Armed Forces in Colombia
13 to participate in relief efforts in responding to a nat-
14 ural disaster.

15 (4) Nonoperational transient military personnel.

16 (5) A member of the Armed Forces making a
17 port call from a military vessel in Colombia.

18 (c) NATIONAL SECURITY WAIVER.—(1) The Sec-
19 retary of Defense may waive the limitation in subsection
20 (a) if the Secretary determines that such waiver is in the
21 national security interest of the United States.

22 (2) The Secretary shall notify the congressional de-
23 fense committees not later 15 days after the date of the
24 exercise of the waiver authority under paragraph (1).

1 **SEC. 1209. ASSESSMENT AND REPORT CONCERNING THE**
2 **LOCATION OF NATO HEADQUARTERS.**

3 (a) ASSESSMENT.—The Secretary of Defense shall
4 conduct a full and complete assessment of costs to the
5 United States associated with the location of the head-
6 quarters of the North Atlantic Treaty Organization
7 (NATO) in Brussels, Belgium, and the costs and benefits
8 of relocating that headquarters to a suitable location in
9 another NATO member country, including those nations
10 invited to join NATO at the Prague summit in 2002. The
11 Secretary shall conduct such assessment in consultation
12 with the Secretary of State.

13 (b) REPORT TO CONGRESS.—Not later than 180 days
14 after the date of the enactment of this Act, the Secretary
15 of Defense shall submit to Congress a report of the find-
16 ings of the assessment under subsection (a).

17 **SEC. 1210. SENSE OF CONGRESS ON REDEPLOYMENT OF**
18 **UNITED STATES FORCES IN EUROPE.**

19 (a) FINDINGS.—Congress makes the following find-
20 ings:

21 (1) In March 1999, in its initial round of ex-
22 pansion, the North Atlantic Treaty Organization
23 (NATO) admitted Poland, the Czech Republic, and
24 Hungary to the Alliance.

25 (2) At the Prague Summit on November 21–22,
26 2002, the NATO heads of state and government in-

1 vited the countries of Bulgaria, Estonia, Latvia,
2 Lithuania, Romania, Slovakia, and Slovenia to join
3 the Alliance.

4 (3) The countries admitted in the initial round
5 of expansion referred to in paragraph (1) and the
6 seven new invitee nations referred to in paragraph
7 (2) will in combination significantly alter the nature
8 of the Alliance.

9 (4) During the first 50 years of the Alliance,
10 NATO materially contributed to the security and
11 stability of Western Europe, brining peace and pros-
12 perity to the member nations.

13 (5) The expansion of NATO is an opportunity
14 to assist the invitee nations in gaining the capabili-
15 ties to ensure peace, prosperity, and democracy for
16 themselves during the next 50 years of the Alliance.

17 (6) The military structure and mission of
18 NATO has changed, no longer being focused on the
19 threat of a Soviet invasion, but evolving to handle
20 new missions in the area of crisis management,
21 peacekeeping, and peace-support in the Euro-Atlan-
22 tic area of operations.

23 (b) SENSE OF CONGRESS.—In light of the findings
24 in subsection (a), it is the sense of Congress that—

1 (1) the expansion of the North Atlantic Treaty
2 Organization Alliance and the evolution of the mili-
3 tary mission of that Alliance requires a fundamental
4 reevaluation of the current posture of United States
5 forces stationed in Europe; and

6 (2) the President should—

7 (A) initiate a reevaluation referred to in
8 paragraph (1); and

9 (B) in carrying out such a reevaluation,
10 consider a military posture that takes maximum
11 advantage of basing and training opportunities
12 in the newly admitted and invitee states re-
13 ferred to in paragraphs (1) and (2), respec-
14 tively, of subsection (a).

15 **SEC. 1211. REPORT ON ACTIONS THAT COULD BE TAKEN**
16 **REGARDING COUNTRIES THAT INITIATE CER-**
17 **TAIN LEGAL ACTIONS AGAINST UNITED**
18 **STATES OFFICIALS.**

19 (a) FINDING.—Congress finds that actions for or on
20 behalf of a foreign government that constitute attempts
21 to commence legal proceedings against, or attempts to
22 compel the appearance of or production of documents
23 from, any current or former official or employee of the
24 United States or member of the Armed Forces of the
25 United States relating to the performance of official duties

1 constitutes a threat to the ability of the United States to
2 take necessary and timely military action.

3 (b) REPORT.—Not later than 60 days after the date
4 of the enactment of this Act, the Secretary of Defense
5 shall submit to Congress a report on appropriate steps
6 that could be taken by the Department of Defense (includ-
7 ing restrictions on military travel and limitations on mili-
8 tary support and exchange programs) to respond to any
9 action by a foreign government described in subsection
10 (a).

11 **SEC. 1212. SENSE OF CONGRESS CONCERNING NAVY PORT**
12 **CALLS IN ISRAEL.**

13 (a) FINDINGS.—Congress finds the following:

14 (1) The United States Sixth Fleet has not con-
15 ducted regular visits to the port of Haifa, Israel,
16 since the attack on the U.S.S. Cole in Aden, Yemen,
17 on October 12, 2000, but previously visited that port
18 on a regular basis, with an average of 90 United
19 States warships visiting Haifa each year.

20 (2) The United States Navy has invested mil-
21 lions of dollars in expanding the capacity and capa-
22 bility of the port of Haifa to accommodate United
23 States Navy requirements and the port of Haifa is
24 among the most secure harbors in the world and of-
25 fers reliable and efficient repair facilities with close

1 proximity to capable air transport and communica-
2 tions.

3 (3) The forward presence of United States
4 Navy ships is a powerful deterrent to aggression and
5 a tangible expression of American national interests.

6 (4) The visits of the United States Sixth Fleet
7 to Haifa demonstrate the historic friendship of the
8 American and Israeli people and the commitment of
9 the United States to the security and survival of the
10 State of Israel.

11 (b) SENSE OF CONGRESS.—It is the sense of Con-
12 gress that—

13 (1) the Secretary of Defense and the United
14 States Navy should engage with the Government of
15 Israel and the Israel Defense Forces to establish ap-
16 propriate and effective arrangements to ensure the
17 safety of United States Navy vessels and personnel;
18 and

19 (2) upon such arrangements being made, the
20 Sixth Fleet should resume regular port visits to
21 Haifa, Israel.

22 **SEC. 1213. ASSISTANCE TO IRAQI CHILDREN INJURED DUR-**
23 **ING OPERATION IRAQI FREEDOM.**

24 (a) ASSISTANCE.—The Secretary of Defense shall, to
25 the maximum extent practicable, provide all necessary

1 support in an expeditious manner to assist Iraqi children
2 who were injured during Operation Iraqi Freedom.

3 (b) ADDITIONAL REQUIREMENTS.—Assistance de-
4 scribed in subsection (a) may be provided to a child only
5 if adequate treatment from other sources in Iraq or neigh-
6 boring countries is not available and only after completion
7 of an evaluation by a physician or other appropriate med-
8 ical personnel of the United States Armed Forces. In addi-
9 tion, assistance described in subsection (a) may be pro-
10 vided only if it would not adversely affect military oper-
11 ations of the United States.

12 (c) DEFINITION.—In this section, the term “Oper-
13 ation Iraqi Freedom” means operations of the United
14 States Armed Forces, the armed forces of the United
15 Kingdom, and the armed forces of other coalition member
16 countries initiated on or about March 19, 2003—

17 (1) to disarm Iraq of its weapons of mass de-
18 struction;

19 (2) to enforce United Nations Security Council
20 Resolution 1441 (November 8, 2002) and other rel-
21 evant Security Council resolutions with respect to
22 Iraq; and

23 (3) to liberate the people of Iraq from the re-
24 gime of Saddam Hussein.

1 **TITLE** **XIII—COOPERATIVE**
2 **THREAT REDUCTION WITH**
3 **STATES OF THE FORMER SO-**
4 **VIET UNION**

5 **SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-**
6 **DUCTION PROGRAMS AND FUNDS.**

7 (a) SPECIFICATION OF CTR PROGRAMS.—For pur-
8 poses of section 301 and other provisions of this Act, Co-
9 operative Threat Reduction programs are the programs
10 specified in section 1501(b) of the National Defense Au-
11 thorization Act for Fiscal Year 1997 (Public Law 104–
12 201; 110 Stat. 2731; 50 U.S.C. 2362 note).

13 (b) FISCAL YEAR 2004 COOPERATIVE THREAT RE-
14 Duction FUNDS DEFINED.—As used in this title, the
15 term “fiscal year 2004 Cooperative Threat Reduction
16 funds” means the funds appropriated pursuant to the au-
17 thorization of appropriations in section 301 for Coopera-
18 tive Threat Reduction programs.

19 (c) AVAILABILITY OF FUNDS.—Funds appropriated
20 pursuant to the authorization of appropriations in section
21 301 for Cooperative Threat Reduction programs shall be
22 available for obligation for three fiscal years.

23 **SEC. 1302. FUNDING ALLOCATIONS.**

24 (a) FUNDING FOR SPECIFIC PURPOSES.—Of the
25 \$450,800,000 authorized to be appropriated to the De-

1 partment of Defense for fiscal year 2004 in section
2 301(19) for Cooperative Threat Reduction programs, the
3 following amounts may be obligated for the purposes spec-
4 ified:

5 (1) For strategic offensive arms elimination in
6 Russia, \$86,400,000.

7 (2) For strategic nuclear arms elimination in
8 Ukraine, \$3,900,000.

9 (3) For nuclear weapons transportation security
10 in Russia, \$23,200,000.

11 (4) For nuclear weapons storage security in
12 Russia, \$48,000,000.

13 (5) For activities designated as Other Program
14 Support, \$13,100,000.

15 (6) For defense and military contacts,
16 \$11,100,000.

17 (7) For chemical weapons destruction in Rus-
18 sia, \$171,500,000.

19 (8) For biological weapons proliferation preven-
20 tion in the former Soviet Union, \$54,200,000.

21 (9) For weapons of mass destruction prolifera-
22 tion prevention in the states of the former Soviet
23 Union, \$39,400,000.

24 (b) REPORT ON OBLIGATION OR EXPENDITURE OF
25 FUNDS FOR OTHER PURPOSES.—No fiscal year 2004 Co-

1 operative Threat Reduction funds may be obligated or ex-
2 pended for a purpose other than a purpose listed in para-
3 graphs (1) through (9) of subsection (a) until 30 days
4 after the date that the Secretary of Defense submits to
5 Congress a report on the purpose for which the funds will
6 be obligated or expended and the amount of funds to be
7 obligated or expended. Nothing in the preceding sentence
8 shall be construed as authorizing the obligation or expend-
9 iture of fiscal year 2004 Cooperative Threat Reduction
10 funds for a purpose for which the obligation or expendi-
11 ture of such funds is specifically prohibited under this title
12 or any other provision of law.

13 (c) LIMITED AUTHORITY TO VARY INDIVIDUAL
14 AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any
15 case in which the Secretary of Defense determines that
16 it is necessary to do so in the national interest, the Sec-
17 retary may obligate amounts appropriated for fiscal year
18 2004 for a purpose listed in any of the paragraphs in sub-
19 section (a) in excess of the specific amount authorized for
20 that purpose.

21 (2) An obligation of funds for a purpose stated in
22 any of the paragraphs in subsection (a) in excess of the
23 specific amount authorized for such purpose may be made
24 using the authority provided in paragraph (1) only after—

1 (A) the Secretary submits to Congress notifica-
2 tion of the intent to do so together with a complete
3 discussion of the justification for doing so; and

4 (B) 15 days have elapsed following the date of
5 the notification.

6 (3) The Secretary may not, under the authority pro-
7 vided in paragraph (1), obligate amounts for a purpose
8 stated in any of paragraphs (5) through (8) of subsection
9 (a) in excess of 125 percent of the specific amount author-
10 ized for such purpose.

11 **SEC. 1303. LIMITATION ON USE OF FUNDS UNTIL CERTAIN**
12 **PERMITS OBTAINED.**

13 (a) LIMITATION ON USE OF FUNDS.—With respect
14 to a new project or an incomplete project carried out by
15 the Department of Defense under Cooperative Threat Re-
16 duction programs, not more than 35 percent of the total
17 costs of the project may be obligated or expended from
18 Cooperative Threat Reduction funds for any fiscal year
19 until—

20 (1) the Secretary of Defense determines—

21 (A) in the case of a new project, the num-
22 ber and type of permits that may be required
23 for the lifetime of the project in the proposed
24 location or locations of the project; and

1 (B) in the case of an incomplete project,
2 the number and type of permits that may be re-
3 quired for the remaining lifetime of the project;
4 and

5 (2) the government of the state of the former
6 Soviet Union in which the project is being or is pro-
7 posed to be carried out obtains and transmits copies
8 of all such permits to the Department of Defense.

9 (b) DEFINITIONS.—In this section, with respect to a
10 project under Cooperative Threat Reduction programs:

11 (1) NEW PROJECT.—The term “new project”
12 means a project for which no funds have been obli-
13 gated or expended as of the date of the enactment
14 of this Act.

15 (2) INCOMPLETE PROJECT.—The term “incom-
16 plete project” means a project for which funds have
17 been obligated or expended before the date of the en-
18 actment of this Act and which is not completed as
19 of such date.

20 (3) PERMIT.—The term “permit” means any
21 local or national permit for development, general
22 construction, environmental, land use, or other pur-
23 poses that is required in the state of the former So-
24 viet Union in which the project is being or is pro-
25 posed to be carried out.

1 **SEC. 1304. LIMITATION ON USE OF FUNDS FOR BIOLOGICAL**
2 **RESEARCH IN THE FORMER SOVIET UNION.**

3 Of the funds authorized to be appropriated for bio-
4 logical weapons proliferation prevention pursuant to sec-
5 tion 1302, no funds may be obligated for cooperative bio-
6 defense research or bioattack early warning and prepared-
7 ness under a Cooperative Threat Reduction program at
8 a site in a state of the former Soviet Union until the Sec-
9 retary of Defense notifies Congress that—

10 (1) the Secretary has determined, through ac-
11 cess to the site, that no biological weapons research
12 prohibited by international law is being conducted at
13 the site;

14 (2) the Secretary has assessed the vulnerability
15 of the site to external or internal attempts to exploit
16 or obtain dangerous pathogens illicitly; and

17 (3) the Secretary has begun to implement ap-
18 propriate security measures at the site to reduce
19 that vulnerability and to prevent the diversion of
20 dangerous pathogens from legitimate research.

21 **SEC. 1305. AUTHORITY AND FUNDS FOR NONPROLIFERA-**
22 **TION AND DISARMAMENT.**

23 The Secretary of Defense is authorized to transfer
24 \$78,000,000 in prior year Cooperative Threat Reduction
25 funds from the Department of Defense to the Department
26 of State Nonproliferation and Disarmament Fund for dis-

1 armament and nonproliferation purposes outside the terri-
2 tory of the former Soviet Union.

3 **SEC. 1306. REQUIREMENT FOR ON-SITE MANAGERS.**

4 (a) ON-SITE MANAGER REQUIREMENT.—Before obli-
5 gating any Cooperative Threat Reduction funds for a
6 project described in subsection (b), the Secretary of De-
7 fense shall appoint a United States Federal Government
8 employee as an on-site manager.

9 (b) PROJECTS COVERED.—Subsection (a) applies to
10 a project—

11 (1) to be located in a state of the former Soviet
12 Union;

13 (2) which involves dismantlement, destruction,
14 or storage facilities, or construction of a facility; and

15 (3) with respect to which the total contribution
16 by the Department of Defense is expected to exceed
17 \$25,000,000.

18 (c) DUTIES OF ON-SITE MANAGER.—The on-site
19 manager appointed under subsection (a) shall—

20 (1) develop, in cooperation with representatives
21 from governments of countries participating in the
22 project, a list of those steps or activities critical to
23 achieving the project's disarmament or nonprolifera-
24 tion goals;

1 (2) establish a schedule for completing those
2 steps or activities;

3 (3) meet with all participants to seek assur-
4 ances that those steps or activities are being com-
5 pleted on schedule; and

6 (4) suspend United States participation in a
7 project when a non-United States participant fails to
8 complete a scheduled step or activity on time, unless
9 directed by the Secretary of Defense to resume
10 United States participation.

11 (d) STEPS OR ACTIVITIES.—Steps or activities re-
12 ferred to in subsection (c)(1) are those activities that, if
13 not completed, will prevent a project from achieving its
14 disarmament or nonproliferation goals, including, at a
15 minimum, the following:

16 (1) Identification and acquisition of permits (as
17 defined in section 1303(b)).

18 (2) Verification that the items, substances, or
19 capabilities to be dismantled, secured, or otherwise
20 modified are available for dismantlement, securing,
21 or modification.

22 (3) Timely provision of financial, personnel,
23 management, transportation, and other resources.

24 (e) NOTIFICATION TO CONGRESS.—In any case in
25 which the Secretary of Defense directs an on-site manager

1 to resume United States participation in a project under
2 subsection (c)(4), the Secretary shall concurrently notify
3 Congress of such direction.

4 (f) EFFECTIVE DATE.—This section shall take effect
5 six months after the date of the enactment of this Act.

6 **SEC. 1307. PROVISIONS RELATING TO FUNDING FOR CHEM-**
7 **ICAL WEAPONS DESTRUCTION FACILITY IN**
8 **RUSSIA.**

9 (a) INAPPLICABILITY OF LIMITATION ON USE OF
10 FUNDS.—(1) The conditions described in section 1305 of
11 the National Defense Authorization Act for Fiscal Year
12 2000 (Public Law 106–65; 22 U.S.C. 5952 note) shall not
13 apply to the obligation and expenditure of funds available
14 for obligation during fiscal year 2004 for the planning,
15 design, or construction of a chemical weapons destruction
16 facility in Russia if the President submits to Congress a
17 written certification that includes—

18 (A) a statement as to why waiving the condi-
19 tions is important to the national security interests
20 of the United States;

21 (B) a full and complete justification for exer-
22 cising this waiver; and

23 (C) a plan to promote a full and accurate dis-
24 closure by Russia regarding the size, content, status,
25 and location of its chemical weapons stockpile.

1 (2) The authority under paragraph (1) shall expire
2 on September 30, 2004.

3 (b) AVAILABILITY OF FUNDS.—(1) Except as pro-
4 vided in paragraph (2), of the funds that may be obligated
5 for a chemical weapons destruction facility in Russia as
6 specified in section 1302(a)(7), the Secretary of Defense
7 may not obligate an amount greater than two times the
8 amount obligated by Russia and any other state for the
9 planning, design, construction, or operation of a chemical
10 weapons destruction facility in Russia.

11 (2) Of the funds that may be obligated for a chemical
12 weapons destruction facility in Russia as specified in sec-
13 tion 1302(a)(7), \$71,500,000 shall be available for obliga-
14 tion on and after October 1, 2003.

15 **SEC. 1308. STUDY RELATING TO EX-SOVIET URANIUM AND**
16 **PLUTONIUM.**

17 The Secretary of Defense shall submit a study to
18 Congress not later than one year after the date of the en-
19 actment of this Act, examining the costs and benefits of
20 purchasing all the ex-Soviet weapons-grade uranium and
21 plutonium in fiscal year 2005, and safeguarding it from
22 smuggling or theft until it can be rendered unusable for
23 weapons.

TITLE XIV—SERVICES ACQUISITION REFORM

SEC. 1401. SHORT TITLE.

This title may be cited as the “Services Acquisition Reform Act of 2003”.

SEC. 1402. EXECUTIVE AGENCY DEFINED.

In this title, the term “executive agency” has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)), unless specifically stated otherwise.

Subtitle A—Acquisition Workforce and Training

SEC. 1411. DEFINITION OF ACQUISITION.

Section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403) is amended by adding at the end the following:

“(16) The term ‘acquisition’—

“(A) means the process of acquiring, with appropriated funds, by contract for purchase or lease, property or services (including construction) that support the missions and goals of an executive agency, from the point at which the requirements of the executive agency are established in consultation with the chief acquisition officer of the executive agency; and

1 “(B) includes—

2 “(i) the process of acquiring property
3 or services that are already in existence, or
4 that must be created, developed, dem-
5 onstrated, and evaluated;

6 “(ii) the description of requirements
7 to satisfy agency needs;

8 “(iii) solicitation and selection of
9 sources;

10 “(iv) award of contracts;

11 “(v) contract performance;

12 “(vi) contract financing;

13 “(vii) management and measurement
14 of contract performance through final de-
15 livery and payment; and

16 “(viii) technical and management
17 functions directly related to the process of
18 fulfilling agency requirements by con-
19 tract.”.

20 **SEC. 1412. ACQUISITION WORKFORCE TRAINING FUND.**

21 (a) PURPOSES.—The purposes of this section are to
22 ensure that the Federal acquisition workforce—

23 (1) adapts to fundamental changes in the na-
24 ture of Federal Government acquisition of property

1 and services associated with the changing roles of
2 the Federal Government; and

3 (2) acquires new skills and a new perspective to
4 enable it to contribute effectively in the changing en-
5 vironment of the 21st century.

6 (b) ESTABLISHMENT OF FUND.—Section 37 of the
7 Office of Federal Procurement Policy Act (41 U.S.C. 433)
8 is amended by adding at the end of subsection (h) the
9 following new paragraph:

10 “(3) ACQUISITION WORKFORCE TRAINING
11 FUND.—(A) The Administrator of General Services
12 shall establish an acquisition workforce training
13 fund. The Administrator shall manage the fund
14 through the Federal Acquisition Institute to support
15 the training of the acquisition workforce of the exec-
16 utive agencies other than the Department of De-
17 fense. The Administrator shall consult with the Ad-
18 ministrator for Federal Procurement Policy in man-
19 aging the fund.

20 “(B) There shall be credited to the acquisition
21 workforce training fund 5 percent of the fees col-
22 lected by executive agencies (other than the Depart-
23 ment of Defense) under the following contracts:

24 “(i) Governmentwide task and delivery-
25 order contracts entered into under sections

1 303H and 303I of the Federal Property and
2 Administrative Services Act of 1949 (41 U.S.C.
3 253h and 253i).

4 “(ii) Governmentwide contracts for the ac-
5 quisition of information technology as defined
6 in section 11101 of title 40, United States
7 Code, and multiagency acquisition contracts for
8 such technology authorized by section 11314 of
9 such title.

10 “(iii) Multiple-award schedule contracts
11 entered into by the Administrator of General
12 Services.

13 “(C) The head of an executive agency that ad-
14 ministers a contract described in subparagraph (B)
15 shall remit to the General Services Administration
16 the amount required to be credited to the fund with
17 respect to such contract at the end of each quarter
18 of the fiscal year.

19 “(D) The Administrator of General Services,
20 through the Office of Federal Acquisition Policy,
21 shall ensure that funds collected for training under
22 this section are not used for any purpose other than
23 the purpose specified in subparagraph (A).

1 “(E) Amounts credited to the fund shall be in
2 addition to funds requested and appropriated for
3 education and training referred to in paragraph (1).

4 “(F) Amounts credited to the fund shall remain
5 available until expended.”.

6 (c) EXCEPTION.—This section and the amendments
7 made by this section shall not apply to the acquisition
8 workforce of the Department of Defense.

9 **SEC. 1413. ACQUISITION WORKFORCE RECRUITMENT PRO-**
10 **GRAM.**

11 (a) AUTHORITY TO CARRY OUT PROGRAM.—For
12 purposes of sections 3304, 5333, and 5753 of title 5,
13 United States Code, the head of a department or agency
14 of the United States (including the Secretary of Defense)
15 may determine that certain Federal acquisition positions
16 are “shortage category” positions in order to recruit and
17 appoint directly to positions of employment in the depart-
18 ment or agency highly qualified persons, such as any per-
19 son who—

20 (1) holds a bachelor’s degree from an accredited
21 institution of higher education;

22 (2) holds, from an accredited law school or an
23 accredited institution of higher education—

24 (A) a law degree; or

1 (B) a masters or equivalent degree in busi-
2 ness administration, public administration, or
3 systems engineering; or

4 (3) has significant experience with commercial
5 acquisition practices, terms, and conditions.

6 (b) REQUIREMENTS.—The exercise of authority to
7 take a personnel action under this section shall be subject
8 to policies prescribed by the Office of Personnel Manage-
9 ment that govern direct recruitment, including policies re-
10 quiring appointment of a preference eligible who satisfies
11 the qualification requirements.

12 (c) TERMINATION OF AUTHORITY.—The head of a
13 department or agency may not appoint a person to a posi-
14 tion of employment under this section after September 30,
15 2007.

16 (d) REPORT.—Not later than March 31, 2007, the
17 Administrator for Federal Procurement Policy shall sub-
18 mit to Congress a report on the implementation of this
19 section. The report shall include—

20 (1) the Administrator's assessment of the effi-
21 cacy of the exercise of the authority provided in this
22 section in attracting employees with unusually high
23 qualifications to the acquisition workforce; and

1 (2) any recommendations considered appro-
2 priate by the Administrator on whether the author-
3 ity to carry out the program should be extended.

4 **SEC. 1414. ARCHITECTURAL AND ENGINEERING ACQUISI-**
5 **TION WORKFORCE.**

6 The Administrator for Federal Procurement Policy,
7 in consultation with the Secretary of Defense, the Admin-
8 istrator of General Services, and the Director of the Office
9 of Personnel Management, shall develop and implement a
10 plan to ensure that the Federal Government maintains the
11 necessary capability with respect to the acquisition of ar-
12 chitectural and engineering services to—

13 (1) ensure that Federal Government employees
14 have the expertise to determine agency requirements
15 for such services;

16 (2) establish priorities and programs (including
17 acquisition plans);

18 (3) establish professional standards;

19 (4) develop scopes of work; and

20 (5) award and administer contracts for such
21 services.

1 **Subtitle B—Adaptation of Business**
2 **Acquisition Practices**

3 **PART I—ADAPTATION OF BUSINESS**
4 **MANAGEMENT PRACTICES**

5 **SEC. 1421. CHIEF ACQUISITION OFFICERS.**

6 (a) APPOINTMENT OF CHIEF ACQUISITION OFFI-
7 CERS.—(1) Section 16 of the Office of Federal Procure-
8 ment Policy Act (41 U.S.C. 414) is amended to read as
9 follows:

10 **“SEC. 16. CHIEF ACQUISITION OFFICERS.**

11 “(a) ESTABLISHMENT OF AGENCY CHIEF ACQUI-
12 TION OFFICERS.—The head of each executive agency
13 (other than the Department of Defense) shall appoint or
14 designate a non-career employee as Chief Acquisition Offi-
15 cer for the agency, who shall—

16 “(1) have acquisition management as that offi-
17 cial’s primary duty; and

18 “(2) advise and assist the head of the executive
19 agency and other agency officials to ensure that the
20 mission of the executive agency is achieved through
21 the management of the agency’s acquisition activi-
22 ties.

23 “(b) AUTHORITY AND FUNCTIONS OF AGENCY CHIEF
24 ACQUISITION OFFICERS.—The functions of each Chief Ac-
25 quisition Officer shall include—

1 “(1) monitoring the performance of acquisition
2 activities and acquisition programs of the executive
3 agency, evaluating the performance of those pro-
4 grams on the basis of applicable performance meas-
5 urements, and advising the head of the executive
6 agency regarding the appropriate business strategy
7 to achieve the mission of the executive agency;

8 “(2) increasing the use of full and open com-
9 petition in the acquisition of property and services
10 by the executive agency by establishing policies, pro-
11 cedures, and practices that ensure that the executive
12 agency receives a sufficient number of sealed bids or
13 competitive proposals from responsible sources to
14 fulfill the Government’s requirements (including per-
15 formance and delivery schedules) at the best value
16 considering the nature of the property or service
17 procured;

18 “(3) making acquisition decisions consistent
19 with all applicable laws and establishing clear lines
20 of authority, accountability, and responsibility for
21 acquisition decisionmaking within the executive
22 agency;

23 “(4) managing the direction of acquisition pol-
24 icy for the executive agency, including implementa-

1 tion of the unique acquisition policies, regulations,
2 and standards of the executive agency;

3 “(5) developing and maintaining an acquisition
4 career management program in the executive agency
5 to ensure that there is an adequate professional
6 workforce; and

7 “(6) as part of the strategic planning and per-
8 formance evaluation process required under section
9 306 of title 5, United States Code, and sections
10 1105(a)(28), 1115, 1116, and 9703 of title 31,
11 United States Code—

12 “(A) assessing the requirements estab-
13 lished for agency personnel regarding knowl-
14 edge and skill in acquisition resources manage-
15 ment and the adequacy of such requirements
16 for facilitating the achievement of the perform-
17 ance goals established for acquisition manage-
18 ment;

19 “(B) in order to rectify any deficiency in
20 meeting such requirements, developing strate-
21 gies and specific plans for hiring, training, and
22 professional development; and

23 “(C) reporting to the head of the executive
24 agency on the progress made in improving ac-
25 quisition management capability.”.

1 (2) The item relating to section 16 in the table of
2 contents in section 1(b) of such Act is amended to read
3 as follows:

“Sec. 16. Chief Acquisition Officers.”.

4 (b) REFERENCES TO SENIOR PROCUREMENT EXECU-
5 TIVE.—

6 (1) AMENDMENT TO THE OFFICE OF FEDERAL
7 POLICY ACT.—

8 (A) Subsections (a)(2)(A) and (b) of sec-
9 tion 20 of the Office of Federal Procurement
10 Policy Act (41 U.S.C. 418(a)(2)(A), (b)) are
11 amended by striking “senior procurement exec-
12 utive” each place it appears and inserting
13 “Chief Acquisition Officer”.

14 (B) Subsection (c)(2)(A)(ii) of section 29
15 of the Office of Federal Procurement Policy Act
16 (41 U.S.C. 425(c)(2)(A)(ii)) is amended by
17 striking “senior procurement executive” and in-
18 serting “Chief Acquisition Officer”.

19 (C) Subsection (c) of section 37 of the Of-
20 fice of Federal Procurement Policy Act (41
21 U.S.C. 433(c)) is amended—

22 (i) by striking “SENIOR PROCURE-
23 MENT EXECUTIVE” in the heading and in-
24 serting “CHIEF ACQUISITION OFFICER”;
25 and

1 (ii) by striking “senior procurement
2 executive” each place it appears and in-
3 serting “Chief Acquisition Officer”.

4 (2) AMENDMENT TO TITLE III OF THE FED-
5 ERAL PROPERTY AND ADMINISTRATIVE SERVICES
6 ACT OF 1949.—Sections 302C(b) and
7 303(f)(1)(B)(iii) of the Federal Property and Ad-
8 ministrative Services Act of 1949 (41 U.S.C. 252c,
9 253) are amended by striking “senior procurement
10 executive” each place it appears and inserting
11 “Chief Acquisition Officer”.

12 (3) AMENDMENT TO TITLE 10, UNITED STATES
13 CODE.—The following sections of title 10, United
14 States Code are amended by striking “senior pro-
15 curement executive” each place it appears and in-
16 serting “Chief Acquisition Officer”:

17 (A) Section 133(c)(1).

18 (B) Subsections (d)(2)(B) and (f)(1) of
19 section 2225.

20 (C) Section 2302c(b).

21 (D) Section 2304(f)(1)(B)(iii).

22 (E) Section 2359a(i).

23 (4) REFERENCES.—Any reference to a senior
24 procurement executive of a department or agency of
25 the United States in any other provision of law or

1 regulation, document, or record of the United States
2 shall be deemed to be a reference to the Chief Acqui-
3 sition Officer of the department or agency.

4 (c) TECHNICAL CORRECTION.—Section 1115(a) of
5 title 31, United States Code, is amended by striking “sec-
6 tion 1105(a)(29)” and inserting “section 1105(a)(28)”.

7 **SEC. 1422. CHIEF ACQUISITION OFFICERS COUNCIL.**

8 (a) ESTABLISHMENT OF COUNCIL.—The Office of
9 Federal Procurement Policy Act (41 U.S.C. 403 et seq.)
10 is amended by inserting after section 16 the following new
11 section:

12 **“SEC. 16A. CHIEF ACQUISITION OFFICERS COUNCIL.**

13 “(a) ESTABLISHMENT.—There is established in the
14 executive branch a Chief Acquisition Officers Council.

15 “(b) MEMBERSHIP.—The members of the Council
16 shall be as follows:

17 “(1) The Deputy Director for Management of
18 the Office of Management and Budget, who shall act
19 as Chairman of the Council.

20 “(2) The Administrator for Federal Procure-
21 ment Policy.

22 “(3) The chief acquisition officer of each execu-
23 tive agency.

24 “(4) The Under Secretary of Defense for Ac-
25 quisition, Technology, and Logistics.

1 “(5) Any other officer or employee of the
2 United States designated by the Chairman.

3 “(c) LEADERSHIP; SUPPORT.—(1) The Adminis-
4 trator for Federal Procurement Policy shall lead the ac-
5 tivities of the Council on behalf of the Deputy Director
6 for Management.

7 “(2)(A) The Vice Chairman of the Council shall be
8 selected by the Council from among its members.

9 “(B) The Vice Chairman shall serve a 1-year term,
10 and may serve multiple terms.

11 “(3) The Administrator of General Services shall pro-
12 vide administrative and other support for the Council.

13 “(d) PRINCIPAL FORUM.—The Council is designated
14 the principal interagency forum for monitoring and im-
15 proving the Federal acquisition system.

16 “(e) FUNCTIONS.—The Council shall perform func-
17 tions that include the following:

18 “(1) Develop recommendations for the Director
19 of the Office of Management and Budget on Federal
20 acquisition policies and requirements.

21 “(2) Share experiences, ideas, best practices,
22 and innovative approaches related to Federal acqui-
23 sition.

24 “(3) Assist the Administrator in the identifica-
25 tion, development, and coordination of multiagency

1 projects and other innovative initiatives to improve
2 Federal acquisition.

3 “(4) Promote effective business practices that
4 ensure the timely delivery of best value products to
5 the Federal Government and achieve appropriate
6 public policy objectives.

7 “(5) Further integrity, fairness, competition,
8 openness, and efficiency in the Federal acquisition
9 system.

10 “(6) Work with the Office of Personnel Man-
11 agement to assess and address the hiring, training,
12 and professional development needs of the Federal
13 Government related to acquisition.

14 “(7) Work with the Administrator and the Fed-
15 eral Acquisition Regulatory Council to promote the
16 business practices referred to in paragraph (4) and
17 other results of the functions carried out under this
18 subsection.”.

19 (b) CLERICAL AMENDMENT.—The table of contents
20 in section 1(b) of such Act is amended by inserting after
21 the item relating to section 16 the following new item:

“Sec. 16A. Chief Acquisition Officers Council.”.

22 **SEC. 1423. STATUTORY AND REGULATORY REVIEW.**

23 (a) ESTABLISHMENT.—Not later than 90 days after
24 the date of the enactment of this Act, the Administrator
25 for Federal Procurement Policy shall establish an advisory

1 panel to review laws and regulations regarding the use of
2 commercial practices, performance-based contracting, the
3 performance of acquisition functions across agency lines
4 of responsibility, and the use of Governmentwide con-
5 tracts.

6 (b) MEMBERSHIP.—The panel shall be composed of
7 at least nine individuals who are recognized experts in ac-
8 quisition law and Government acquisition policy. In mak-
9 ing appointments to the panel, the Administrator shall—

10 (1) consult with the Secretary of Defense, the
11 Administrator of General Services, the Committees
12 on Armed Services and Government Reform of the
13 House of Representatives, and the Committees on
14 Armed Services and Governmental Affairs of the
15 Senate, and

16 (2) ensure that the members of the panel reflect
17 the diverse experiences in the public and private sec-
18 tors.

19 (c) DUTIES.—The panel shall—

20 (1) review all Federal acquisition laws and reg-
21 ulations with a view toward ensuring effective and
22 appropriate use of commercial practices and per-
23 formance-based contracting; and

1 (2) make any recommendations for the repeal
2 or amendment of such laws or regulations that are
3 considered necessary as a result of such review—

4 (A) to eliminate any provisions in such
5 laws or regulations that are unnecessary for the
6 effective, efficient, and fair award and adminis-
7 tration of contracts for the acquisition by the
8 Federal Government of goods and services;

9 (B) to ensure the continuing financial and
10 ethical integrity of acquisitions by the Federal
11 Government; and

12 (C) to protect the best interests of the
13 Federal Government.

14 (d) REPORT.—Not later than one year after the es-
15 tablishment of the panel, the panel shall submit to the Ad-
16 ministrators and to the Committees on Armed Services and
17 Government Reform of the House of Representatives and
18 the Committees on Armed Services and Governmental Af-
19 fairs of the Senate a report containing a detailed state-
20 ment of the findings, conclusions, and recommendations
21 of the panel.

1 **PART II—OTHER ACQUISITION IMPROVEMENTS**

2 **SEC. 1426. EXTENSION OF AUTHORITY TO CARRY OUT**
3 **FRANCHISE FUND PROGRAMS.**

4 Section 403(f) of the Federal Financial Management
5 Act of 1994 (Public Law 103–356; 31 U.S.C. 501 note)
6 is amended by striking “October 1, 2003” and inserting
7 “October 1, 2006”.

8 **SEC. 1427. AGENCY ACQUISITION PROTESTS.**

9 (a) DEFENSE CONTRACTS.—(1) Chapter 137 of title
10 10, United States Code, is amended by inserting after sec-
11 tion 2305a the following new section:

12 **“§ 2305b. Protests**

13 “(a) IN GENERAL.—An interested party may protest
14 an acquisition of supplies or services by an agency based
15 on an alleged violation of an acquisition law or regulation,
16 and a decision regarding such alleged violation shall be
17 made by the agency in accordance with this section.

18 “(b) RESTRICTION ON CONTRACT AWARD PENDING
19 DECISION.—(1) Except as provided in paragraph (2), a
20 contract may not be awarded by an agency after a protest
21 concerning the acquisition has been submitted under this
22 section and while the protest is pending.

23 “(2) The head of the acquisition activity responsible
24 for the award of the contract may authorize the award
25 of a contract, notwithstanding pending protest under this
26 section, upon making a written finding that urgent and

1 compelling circumstances do not allow for waiting for a
2 decision on the protest.

3 “(c) RESTRICTION ON CONTRACT PERFORMANCE
4 PENDING DECISION.—(1) Except as provided in para-
5 graph (2), performance of a contract may not be author-
6 ized (and performance of the contract shall cease if per-
7 formance has already begun) in any case in which a pro-
8 test of the contract award is submitted under this section
9 before the later of—

10 “(A) the date that is 10 days after the date of
11 contract award; or

12 “(B) the date that is five days after an agency
13 debriefing date offered to an unsuccessful offeror for
14 any debriefing that is requested and, when re-
15 quested, is required, under section 2305(b)(5) of
16 this title.

17 “(2) The head of the acquisition activity responsible
18 for the award of a contract may authorize performance
19 of the contract notwithstanding a pending protest under
20 this section upon making a written finding that urgent
21 and compelling circumstances do not allow for waiting for
22 a decision on the protest.

23 “(d) DEADLINE FOR DECISION.—The head of an
24 agency shall issue a decision on a protest under this sec-
25 tion not later than the date that is 20 working days after

1 the date on which the protest is submitted to such head
2 of an agency.

3 “(e) CONSTRUCTION.—Nothing in this section shall
4 affect the right of an interested party to file a protest with
5 the Comptroller General under subchapter V of chapter
6 35 of title 31 or in the United States Court of Federal
7 Claims.

8 “(f) DEFINITIONS.—In this section, the terms ‘pro-
9 test’ and ‘interested party’ have the meanings given such
10 terms in section 3551 of title 31.”.

11 (2) The table of sections at the beginning of such
12 chapter is amended by inserting after the item relating
13 to section 2305a the following new item:

“2305b. Protests.”.

14 (b) OTHER AGENCIES.—Title III of the Federal
15 Property and Administrative Services Act of 1949 is
16 amended by inserting after section 303M (41 U.S.C.
17 253m) the following new section:

18 **“SEC. 303N. PROTESTS.**

19 “(a) IN GENERAL.—An interested party may protest
20 an acquisition of supplies or services by an executive agen-
21 cy based on an alleged violation of an acquisition law or
22 regulation, and a decision regarding such alleged violation
23 shall be made by the agency in accordance with this sec-
24 tion.

1 “(b) RESTRICTION ON CONTRACT AWARD PENDING
2 DECISION.—(1) Except as provided in paragraph (2), a
3 contract may not be awarded by an agency after a protest
4 concerning the acquisition has been submitted under this
5 section and while the protest is pending.

6 “(2) The head of the acquisition activity responsible
7 for the award of a contract may authorize the award of
8 the contract, notwithstanding a pending protest under this
9 section, upon making a written finding that urgent and
10 compelling circumstances do not allow for waiting for a
11 decision on the protest.

12 “(c) RESTRICTION ON CONTRACT PERFORMANCE
13 PENDING DECISION.—(1) Except as provided in para-
14 graph (2), performance of a contract may not be author-
15 ized (and performance of the contract shall cease if per-
16 formance has already begun) in any case in which a pro-
17 test of the contract award is submitted under this section
18 before the later of—

19 “(A) the date that is 10 days after the date of
20 contract award; or

21 “(B) the date that is five days after an agency
22 debriefing date offered to an unsuccessful offeror for
23 any debriefing that is requested and, when re-
24 quested, is required, under section 303B(e) of this
25 title.

1 “(2) The head of the acquisition activity responsible
2 for the award of a contract may authorize performance
3 of the contract notwithstanding a pending protest under
4 this section upon making a written finding that urgent
5 and compelling circumstances do not allow for waiting for
6 a decision on the protest.

7 “(d) DEADLINE FOR DECISION.—The head of an ex-
8 ecutive agency shall issue a decision on a protest under
9 this section not later than the date that is 20 working
10 days after the date on which the protest is submitted to
11 the executive agency.

12 “(e) CONSTRUCTION.—Nothing in this section shall
13 affect the right of an interested party to file a protest with
14 the Comptroller General under subchapter V of chapter
15 35 of title 31, United States Code, or in the United States
16 Court of Federal Claims.

17 “(f) DEFINITIONS.—In this section, the terms ‘pro-
18 test’ and ‘interested party’ have the meanings given such
19 terms in section 3551 of title 31, United States Code.”.

20 “(c) CONFORMING AMENDMENT.—Section 3553(d)(4)
21 of title 31, United States Code, is amended—

22 (1) in subparagraph (A), by striking “or” at
23 the end;

24 (2) by striking the period at the end of sub-
25 paragraph (B) and inserting “; or”; and

1 (3) by adding at the end the following new sub-
2 paragraph:

3 “(C) in the case of a protest of the same matter
4 regarding such contract that is submitted under sec-
5 tion 2305b of title 10 or section 303N of the Fed-
6 eral Property and Administrative Services Act of
7 1949, the date that is 5 days after the date on
8 which a decision on that protest is issued.”.

9 **SEC. 1428. IMPROVEMENTS IN CONTRACTING FOR ARCHI-**
10 **TECTURAL AND ENGINEERING SERVICES.**

11 (a) TITLE 10.—Section 2855(b) of title 10, United
12 States Code, is amended—

13 (1) in paragraph (2), by striking “\$85,000”
14 and inserting “\$300,000”; and

15 (2) by adding at the end the following new
16 paragraph:

17 “(4) The selection and competition requirements de-
18 scribed in subsection (a) shall apply to any contract for
19 architectural and engineering services (including surveying
20 and mapping services) that is entered into by the head
21 of an agency (as such term is defined in section 2302 of
22 this title).”.

23 (b) ARCHITECTURAL AND ENGINEERING SERV-
24 ICES.—Architectural and engineering services (as defined
25 in section 1102 of title 40, United States Code) shall not

1 be offered under multiple-award schedule contracts en-
2 tered into by the Administrator of General Services or
3 under Governmentwide task and delivery-order contracts
4 entered into under sections 2304a and 2304b of title 10,
5 United States Code, or sections 303H and 303I of the
6 Federal Property and Administrative Services Act of 1949
7 (41 U.S.C. 253h and 253i) unless such services—

8 (1) are performed under the direct supervision
9 of a professional engineer licensed in a State; and

10 (2) are awarded in accordance with the selec-
11 tion procedures set forth in chapter 11 of title 40,
12 United States Code.

13 **SEC. 1429. AUTHORIZATION OF TELECOMMUTING FOR FED-**
14 **ERAL CONTRACTORS.**

15 (a) AMENDMENT TO THE FEDERAL ACQUISITION
16 REGULATION.—Not later than 180 days after the date of
17 the enactment of this Act, the Federal Acquisition Regu-
18 latory Council shall amend the Federal Acquisition Regu-
19 lation issued in accordance with sections 6 and 25 of the
20 Office of Federal Procurement Policy Act (41 U.S.C. 405
21 and 421) to permit telecommuting by employees of Fed-
22 eral Government contractors in the performance of con-
23 tracts entered into with executive agencies.

24 (b) CONTENT OF AMENDMENT.—The regulation
25 issued pursuant to subsection (a) shall, at a minimum,

1 provide that solicitations for the acquisition of property
2 or services may not set forth any requirement or evalua-
3 tion criteria that would—

4 (1) render an offeror ineligible to enter into a
5 contract on the basis of the inclusion of a plan of
6 the offeror to permit the offeror's employees to tele-
7 commute; or

8 (2) reduce the scoring of an offer on the basis
9 of the inclusion in the offer of a plan of the offeror
10 to permit the offeror's employees to telecommute,
11 unless the contracting officer concerned first—

12 (A) determines that the requirements of
13 the agency, including the security requirements
14 of the agency, cannot be met if the telecom-
15 muting is permitted; and

16 (B) documents in writing the basis for that
17 determination.

18 (c) GAO REPORT.—Not later than one year after the
19 date on which the regulation required by subsection (a)
20 is published in the Federal Register, the Comptroller Gen-
21 eral shall submit to Congress—

22 (1) an evaluation of—

23 (A) the conformance of the regulations
24 with law; and

1 (B) the compliance by executive agencies
2 with the regulations; and

3 (2) any recommendations that the Comptroller
4 General considers appropriate.

5 (d) DEFINITION.—In this section, the term “execu-
6 tive agency” has the meaning given that term in section
7 4 of the Office of Federal Procurement Policy Act (41
8 U.S.C. 403).

9 **Subtitle C—Contract Incentives**

10 **SEC. 1431. INCENTIVES FOR CONTRACT EFFICIENCY.**

11 (a) INCENTIVES FOR CONTRACT EFFICIENCY.—The
12 Office of Federal Procurement Policy Act (41 U.S.C. 403
13 et seq.) is amended by adding at the end the following
14 new section:

15 **“SEC. 41. INCENTIVES FOR EFFICIENT PERFORMANCE OF** 16 **SERVICES CONTRACTS.**

17 “(a) OPTIONS FOR SERVICES CONTRACTS.—An op-
18 tion included in a contract for services to extend the con-
19 tract by one or more periods may provide that it be exer-
20 cised on the basis of exceptional performance by the con-
21 tractor. A contract that contains such an option provision
22 shall include performance standards for measuring per-
23 formance under the contract, and to the maximum extent
24 practicable be performance-based. Such option provision
25 shall only be exercised in accordance with applicable provi-

1 sions of law or regulation that set forth restrictions on
 2 the duration of the contract containing the option.

3 “(b) DEFINITION OF PERFORMANCE-BASED.—In
 4 this section, the term ‘performance-based’, with respect to
 5 a contract, task order, or contracting, means that the con-
 6 tract, task order, or contracting, respectively, includes the
 7 use of performance work statements that set forth con-
 8 tract requirements in clear, specific, and objective terms
 9 with measurable outcomes.”.

10 (b) CLERICAL AND TECHNICAL AMENDMENTS.—(1)
 11 The table of contents in section 1(b) of such Act is amend-
 12 ed by striking the last item and inserting the following:

“Sec. 40. Protection of constitutional rights of contractors.

“Sec. 41. Incentives for efficient performance of services contracts.”.

13 (2) The section before section 41 of such Act (as
 14 added by subsection (a)) is redesignated as section 40.

15 **Subtitle D—Acquisitions of** 16 **Commercial Items**

17 **SEC. 1441. ADDITIONAL INCENTIVE FOR USE OF PERFORM-** 18 **ANCE-BASED CONTRACTING FOR SERVICES.**

19 (a) OTHER CONTRACTS.—Section 41 of the Office of
 20 Federal Procurement Policy Act, as added by section
 21 1431, is amended—

22 (1) by redesignating subsection (b) as sub-
 23 section (c); and

1 (2) by inserting after subsection (a) the fol-
2 lowing new subsection:

3 “(b) INCENTIVE FOR USE OF PERFORMANCE-BASED
4 SERVICES CONTRACTS.—(1) A performance-based con-
5 tract for the procurement of services entered into by an
6 executive agency or a performance-based task order for
7 services issued by an executive agency may be treated as
8 a contract for the procurement of commercial items if—

9 “(A) the contract or task order sets forth spe-
10 cifically each task to be performed and, for each
11 task—

12 “(i) defines the task in measurable, mis-
13 sion-related terms; and

14 “(ii) identifies the specific end products or
15 output to be achieved; and

16 “(B) the source of the services provides similar
17 services to the general public under terms and condi-
18 tions similar to those offered to the Federal Govern-
19 ment.

20 “(2) The regulations implementing this subsection
21 shall require agencies to collect and maintain reliable data
22 sufficient to identify the contracts or task orders treated
23 as contracts for commercial items using the authority of
24 this subsection. The data may be collected using the Fed-

1 eral Procurement Data System or other reporting mecha-
2 nism.

3 “(3) Not later than two years after the date of the
4 enactment of this subsection, the Director of the Office
5 of Management and Budget shall prepare and submit to
6 the Committees on Governmental Affairs and on Armed
7 Services of the Senate and the Committees on Government
8 Reform and on Armed Services of the House of Represent-
9 atives a report on the contracts or task orders treated as
10 contracts for commercial items using the authority of this
11 subsection. The report shall include data on the use of
12 such authority both government-wide and for each depart-
13 ment and agency.

14 “(4) The authority under this subsection shall expire
15 10 years after the date of the enactment of this sub-
16 section.”.

17 (b) CENTER OF EXCELLENCE IN SERVICE CON-
18 TRACTING.—Not later than 180 days after the date of the
19 enactment of this Act, the Administrator for Federal Pro-
20 curement Policy shall establish a center of excellence in
21 contracting for services. The center of excellence shall as-
22 sist the acquisition community by identifying, and serving
23 as a clearinghouse for, best practices in contracting for
24 services in the public and private sectors.

1 (c) REPEAL OF SUPERSEDED PROVISION.—Sub-
2 section (b) of section 821 of the Floyd D. Spence National
3 Defense Authorization Act for Fiscal Year 2001 (as en-
4 acted into law by Public Law 106–398; 114 Stat. 1654A–
5 218) is repealed.

6 **SEC. 1442. AUTHORIZATION OF ADDITIONAL COMMERCIAL**
7 **CONTRACT TYPES.**

8 Section 8002(d) of the Federal Acquisition Stream-
9 lining Act of 1994 (Public Law 103–355; 108 Stat. 3387;
10 41 U.S.C. 264 note) is amended—

- 11 (1) in paragraph (1), by striking “and”;
12 (2) by striking the period at the end of para-
13 graph (2) and inserting “; and”; and
14 (3) by adding at the end the following new
15 paragraph:

16 “(3) authority for use of a time and materials
17 contract or a labor-hour contract for the procure-
18 ment of commercial services that are commonly sold
19 to the general public through such contracts.”.

20 **SEC. 1443. CLARIFICATION OF COMMERCIAL SERVICES**
21 **DEFINITION.**

22 Subparagraph (F) of section 4(12) of the Office of
23 Federal Procurement Policy Act (41 U.S.C. 403(12)(F))
24 is amended—

- 25 (1) by striking “catalog or”; and

1 (2) by inserting “or specific outcomes to be
2 achieved” after “performed”.

3 **SEC. 1444. DESIGNATION OF COMMERCIAL BUSINESS ENTI-**
4 **TIES.**

5 (a) IN GENERAL.—Section 4 of the Office of Federal
6 Procurement Policy Act (41 U.S.C. 403), as amended by
7 section 1411, is further amended—

8 (1) by adding at the end of paragraph (12) the
9 following new subparagraph:

10 “(I) Items or services produced or provided
11 by a commercial entity.”; and

12 (2) by adding at the end the following new
13 paragraph:

14 “(17) The term ‘commercial entity’ means any
15 enterprise whose primary customers are other than
16 the Federal Government. In order to qualify as a
17 commercial entity, at least 90 percent (in dollars) of
18 the sales of the enterprise over the past three busi-
19 ness years must have been made to private sector
20 entities.”.

21 (b) COLLECTION OF DATA.—Regulations imple-
22 menting the amendments made by subsection (a) shall re-
23 quire agencies to collect and maintain reliable data suffi-
24 cient to identify the contracts entered into or task orders
25 awarded for items or services produced or provided by a

1 commercial entity. The data may be collected using the
2 Federal Procurement Data System or other reporting
3 mechanism.

4 (c) OMB REPORT.—Not later than two years after
5 the date of the enactment of this subsection, the Director
6 of the Office of Management and Budget shall prepare
7 and submit to the Committees on Governmental Affairs
8 and on Armed Services of the Senate and the Committees
9 on Government Reform and on Armed Services of the
10 House of Representatives a report on the contracts en-
11 tered into or task orders awarded for items or services
12 produced or provided by a commercial entity. The report
13 shall include data on the use of such authority both gov-
14 ernment-wide and for each department and agency.

15 (d) COMPTROLLER GENERAL REVIEW.—The Comp-
16 troller General shall review the implementation of the
17 amendments made by subsection (a) to evaluate the effec-
18 tiveness of such implementation in increasing the avail-
19 ability of items and services to the Federal Government
20 at fair and reasonable prices.

Subtitle E—Other Matters

SEC. 1451. AUTHORITY TO ENTER INTO CERTAIN PROCUREMENT-RELATED TRANSACTIONS AND TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended by adding at the end the following new section:

“SEC. 318. AUTHORITY TO ENTER INTO CERTAIN TRANSACTIONS FOR DEFENSE AGAINST OR RECOVERY FROM TERRORISM OR NUCLEAR, BIOLOGICAL, CHEMICAL, OR RADIOLOGICAL ATTACK.

“(a) AUTHORITY.—

“(1) IN GENERAL.—The head of an executive agency who engages in basic research, applied research, advanced research, and development projects that—

“(A) are necessary to the responsibilities of such official’s executive agency in the field of research and development, and

“(B) have the potential to facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack,

1 may exercise the same authority (subject to the
2 same restrictions and conditions) with respect to
3 such research and projects as the Secretary of De-
4 fense may exercise under section 2371 of title 10,
5 United States Code, except for subsections (b) and
6 (f) of such section 2371.

7 “(2) PROTOTYPE PROJECTS.—The head of an
8 executive agency may, under the authority of para-
9 graph (1), carry out prototype projects that meet the
10 requirements of subparagraphs (A) and (B) of para-
11 graph (1) in accordance with the requirements and
12 conditions provided for carrying out prototype
13 projects under section 845 of the National Defense
14 Authorization Act for Fiscal Year 1994 (Public Law
15 103–160; 10 U.S.C. 2371 note). In applying the re-
16 quirements and conditions of that section 845—

17 “(A) subsection (c) of that section shall
18 apply with respect to prototype projects carried
19 out under this paragraph; and

20 “(B) the Director of the Office of Manage-
21 ment and Budget shall perform the functions of
22 the Secretary of Defense under subsection (d)
23 of that section.

24 “(3) APPLICABILITY TO SELECTED EXECUTIVE
25 AGENCIES.—

1 “(A) OMB AUTHORIZATION REQUIRED.—

2 The head of an executive agency may exercise
3 authority under this subsection only if author-
4 ized by the Director of the Office of Manage-
5 ment and Budget to do so.

6 “(B) RELATIONSHIP TO AUTHORITY OF

7 DEPARTMENT OF HOMELAND SECURITY.—The
8 authority under this subsection shall not apply
9 to the Secretary of Homeland Security while
10 section 831 of the Homeland Security Act of
11 2002 (Public Law 107-296; 116 Stat. 2224) is
12 in effect.

13 “(b) ANNUAL REPORT.—The annual report of the
14 head of an executive agency that is required under sub-
15 section (h) of section 2371 of title 10, United States Code,
16 as applied to the head of the executive agency by sub-
17 section (a), shall be submitted to the Committee on Gov-
18 ernmental Affairs of the Senate and the Committee on
19 Government Reform of the House of Representatives.

20 “(c) REGULATIONS.—The Director of the Office of
21 Management and Budget shall prescribe regulations to
22 carry out this section.”.

1 **SEC. 1452. AUTHORITY TO MAKE INFLATION ADJUSTMENTS**
2 **TO SIMPLIFIED ACQUISITION THRESHOLD.**

3 Section 4(11) of the Office of Federal Procurement
4 Policy Act (41 U.S.C. 403(11)) is amended by inserting
5 before the period at the end the following: “, except that
6 such amount may be adjusted by the Administrator every
7 five years to the amount equal to \$100,000 in constant
8 fiscal year 2003 dollars (rounded to the nearest
9 \$10,000)”.

10 **SEC. 1453. PROHIBITION ON USE OF QUOTAS.**

11 (a) IN GENERAL.—After the date of enactment of
12 this Act, the Office of Management and Budget may not
13 establish, apply, or enforce any numerical goal, target, or
14 quota for subjecting the employees of a department or
15 agency of the Government to public-private competitions
16 or converting such employees or the work performed by
17 such employees to contractor performance under Office of
18 Management and Budget Circular A-76 or any other ad-
19 ministrative regulation, directive, or policy unless the goal,
20 target, or quota is based on considered research and sound
21 analysis of past activities and is consistent with the stated
22 mission of the department or agency.

23 (b) LIMITATIONS.—Subsection (a) shall not—

24 (1) otherwise affect the implementation or en-
25 forcement of the Government Performance and Re-
26 sults Act of 1993 (107 Stat. 285); or

1 (2) prevent any agency of the Executive branch
2 from subjecting work performed by Federal employ-
3 ees or private contractors to public-private competi-
4 tion or conversions.

5 **SEC. 1454. APPLICABILITY OF CERTAIN PROVISIONS TO**
6 **SOLE SOURCE CONTRACTS FOR GOODS AND**
7 **SERVICES TREATED AS COMMERCIAL ITEMS.**

8 (a) IN GENERAL.—No contract awarded on a sole
9 source basis for the procurement of items or services that
10 are treated as or deemed to be commercial items pursuant
11 to the amendments made by section 1441, 1444, or 1457
12 of this Act shall be exempt from—

13 (1) cost accounting standards promulgated pur-
14 suant to section 26 of the Office of Federal Procure-
15 ment Policy Act (41 U.S.C. 422); and

16 (2) cost or pricing data requirements (com-
17 monly referred to as truth in negotiating) under sec-
18 tion 2306a of title 10, United States Code, and sec-
19 tion 304A of title III of the Federal Property and
20 Administrative Services Act of 1949 (41 U.S.C.
21 254b).

22 (b) LIMITATION.—This section shall not apply to any
23 contract in an amount not greater than \$15,000,000.

1 **SEC. 1455. PUBLIC DISCLOSURE OF NONCOMPETITIVE CON-**
2 **TRACTING FOR THE RECONSTRUCTION OF**
3 **INFRASTRUCTURE IN IRAQ.**

4 (a) DISCLOSURE REQUIRED.—

5 (1) PUBLICATION AND PUBLIC AVAILABILITY.—

6 The head of an executive agency of the United
7 States that enters into a contract for the repair,
8 maintenance, or construction of infrastructure in
9 Iraq without full and open competition shall publish
10 in the Federal Register or Commerce Business Daily
11 and otherwise make available to the public, not later
12 than 30 days after the date on which the contract
13 is entered into, the following information:

14 (A) The amount of the contract.

15 (B) A brief description of the scope of the
16 contract.

17 (C) A discussion of how the executive
18 agency identified, and solicited offers from, po-
19 tential contractors to perform the contract, to-
20 gether with a list of the potential contractors
21 that were issued solicitations for the offers.

22 (D) The justification and approval docu-
23 ments on which was based the determination to
24 use procedures other than procedures that pro-
25 vide for full and open competition.

1 (2) INAPPLICABILITY TO CONTRACTS AFTER
2 FISCAL YEAR 2013.—Paragraph (1) does not apply
3 to a contract entered into after September 30, 2013.

4 (b) CLASSIFIED INFORMATION.—

5 (1) AUTHORITY TO WITHHOLD.—The head of
6 an executive agency may—

7 (A) withhold from publication and disclo-
8 sure under subsection (a) any document that is
9 classified for restricted access in accordance
10 with an Executive order in the interest of na-
11 tional defense or foreign policy; and

12 (B) redact any part so classified that is in
13 a document not so classified before publication
14 and disclosure of the document under sub-
15 section (a).

16 (2) AVAILABILITY TO CONGRESS.—In any case
17 in which the head of an executive agency withholds
18 information under paragraph (1), the head of such
19 executive agency shall make available an unredacted
20 version of the document containing that information
21 to the chairman and ranking member of each of the
22 following committees of Congress:

23 (A) The Committee on Governmental Af-
24 fairs of the Senate and the Committee on Gov-

1 ernment Reform of the House of Representa-
2 tives.

3 (B) The Committees on Appropriations of
4 the Senate and House of Representatives.

5 (C) Each committee that the head of the
6 executive agency determines has legislative ju-
7 risdiction for the operations of such department
8 or agency to which the information relates.

9 (c) FISCAL YEAR 2003 CONTRACTS.—This section
10 shall apply to contracts entered into on or after October
11 1, 2002, except that, in the case of a contract entered into
12 before the date of the enactment of this Act, subsection
13 (a) shall be applied as if the contract had been entered
14 into on the date of the enactment of this Act.

15 (d) RELATIONSHIP TO OTHER DISCLOSURE LAWS.—
16 Nothing in this section shall be construed as affecting obli-
17 gations to disclose United States Government information
18 under any other provision of law.

19 (e) DEFINITIONS.—In this section, the terms “execu-
20 tive agency” and “full and open competition” have the
21 meanings given such terms in section 4 of the Office of
22 Federal Procurement Policy Act (41 U.S.C. 403).

1 **SEC. 1456. AMENDMENTS RELATING TO FEDERAL EMER-**
2 **GENCY PROCUREMENT FLEXIBILITY.**

3 (a) REPEAL OF SUNSET FOR AUTHORITIES APPLICA-
4 BLE TO PROCUREMENTS FOR DEFENSE AGAINST OR RE-
5 COVERY FROM TERRORISM OR NUCLEAR, BIOLOGICAL,
6 CHEMICAL, OR RADIOLOGICAL ATTACK.—Section 852 of
7 the Homeland Security Act of 2002 (Public Law 107–296;
8 116 Stat. 2235) is amended by striking “, but only if a
9 solicitation of offers for the procurement is issued during
10 the 1-year period beginning on the date of the enactment
11 of this Act”.

12 (b) APPLICABILITY OF INCREASED SIMPLIFIED AC-
13 QUISSION THRESHOLD.—(1) The matter preceding para-
14 graph (1) of section 853(a) of the Homeland Security Act
15 of 2002 (Public Law 107–296; 116 Stat. 2235) is amend-
16 ed to read as follows:

17 “(a) THRESHOLD AMOUNTS.—For a procurement re-
18 ferred to in section 852, the simplified acquisition thresh-
19 old referred to in section 4(11) of the Office of Federal
20 Procurement Policy Act (41 U.S.C. 403(11)) is deemed
21 to be—”.

22 (2) Subsections (b) and (c) of section 853 of such
23 Act are repealed.

24 (3) The heading of section 853 of such Act is amend-
25 ed to read as follows:

1 **“SEC. 853. INCREASED SIMPLIFIED ACQUISITION THRESH-**
2 **OLD FOR CERTAIN PROCUREMENTS.”.**

3 (4) The table of contents in section 1(b) of such Act
4 is amended by striking the item relating to section 853
5 and inserting the following:

“Sec. 853. Increased simplified acquisition threshold for certain procurements.”.

6 (5) Section 18(c)(1) of the Office of Federal Procure-
7 ment Policy Act (41 U.S.C. 416(c)(1)) is amended—

8 (A) by striking “or” at the end of subpara-
9 graph (G);

10 (B) by striking the period at the end of sub-
11 paragraph (H) and inserting “; or”; and

12 (C) by adding at the end the following:

13 “(I) the procurement is by the head of an exec-
14 utive agency pursuant to the special procedures pro-
15 vided in section 853 of the Homeland Security Act
16 of 2002 (Public Law 107–296).”.

17 (c) APPLICABILITY OF CERTAIN COMMERCIAL ITEMS
18 AUTHORITIES.—(1) Subsection (a) of section 855 of the
19 Homeland Security Act of 2002 (Public Law 107–296;
20 116 Stat. 2236) is amended to read as follows:

21 “(a) AUTHORITY.—With respect to a procurement re-
22 ferred to in section 852, the head of an executive agency
23 may deem any item or service to be a commercial item
24 for the purpose of Federal procurement laws.”.

1 (2) Subsection (b)(1) of section 855 of such Act is
2 amended by striking “to which any of the provisions of
3 law referred to in subsection (a) are applied”.

4 (d) EXTENSION OF DEADLINE FOR REVIEW AND RE-
5 PORT.—Section 857(a) of the Homeland Security Act of
6 2002 (Public Law 107–296; 116 Stat. 2237) is amended
7 by striking “2004” and inserting “2006”.

8 **TITLE XV—HIGHER EDUCATION**
9 **RELIEF OPPORTUNITIES FOR**
10 **STUDENTS**

11 **SEC. 1501. SHORT TITLE; REFERENCE.**

12 (a) SHORT TITLE.—This title may be cited as the
13 “Higher Education Relief Opportunities for Students Act
14 of 2003”.

15 (b) REFERENCE.—References in this title to “the
16 Act” are references to the Higher Education Act of 1965
17 (20 U.S.C. 1001 et seq.).

18 **SEC. 1502. WAIVER AUTHORITY FOR RESPONSE TO MILI-**
19 **TARY CONTINGENCIES AND NATIONAL EMER-**
20 **GENCIES.**

21 (a) WAIVERS AND MODIFICATIONS.—

22 (1) IN GENERAL.—Notwithstanding any other
23 provision of law, unless enacted with specific ref-
24 erence to this section, the Secretary of Education
25 (referred to in this title as the “Secretary”) may

1 waive or modify any statutory or regulatory provi-
2 sion applicable to the student financial assistance
3 programs under title IV of the Act as the Secretary
4 deems necessary in connection with a war or other
5 military operation or national emergency to provide
6 the waivers or modifications authorized by para-
7 graph (2).

8 (2) ACTIONS AUTHORIZED.—The Secretary is
9 authorized to waive or modify any provision de-
10 scribed in paragraph (1) as may be necessary to en-
11 sure that—

12 (A) recipients of student financial assist-
13 ance under title IV of the Act who are affected
14 individuals are not placed in a worse position fi-
15 nancially in relation to that financial assistance
16 because of their status as affected individuals;

17 (B) administrative requirements placed on
18 affected individuals who are recipients of stu-
19 dent financial assistance are minimized, to the
20 extent possible without impairing the integrity
21 of the student financial assistance programs, to
22 ease the burden on such students and avoid in-
23 advertent, technical violations or defaults;

24 (C) the calculation of “annual adjusted
25 family income” and “available income”, as used

1 in the determination of need for student finan-
2 cial assistance under title IV of the Act for any
3 such affected individual (and the determination
4 of such need for his or her spouse and depend-
5 ents, if applicable), may be modified to mean
6 the sums received in the first calendar year of
7 the award year for which such determination is
8 made, in order to reflect more accurately the fi-
9 nancial condition of such affected individual
10 and his or her family;

11 (D) the calculation under section
12 484B(b)(2) of the Act (20 U.S.C. 1091b(b)(2))
13 of the amount a student is required to return
14 in the case of an affected individual may be
15 modified so that no overpayment will be re-
16 quired to be returned or repaid if the institution
17 has documented (i) the student's status as an
18 affected individual in the student's file, and (ii)
19 the amount of any overpayment discharged; and

20 (E) institutions of higher education, eligi-
21 ble lenders, guaranty agencies, and other enti-
22 ties participating in the student assistance pro-
23 grams under title IV of the Act that are located
24 in areas that are declared disaster areas by any
25 Federal, State or local official in connection

1 with a national emergency, or whose operations
2 are significantly affected by such a disaster,
3 may be granted temporary relief from require-
4 ments that are rendered infeasible or unreason-
5 able by a national emergency, including due
6 diligence requirements and reporting deadlines.

7 (b) NOTICE OF WAIVERS OR MODIFICATIONS.—

8 (1) IN GENERAL.—Notwithstanding section 437
9 of the General Education Provisions Act (20 U.S.C.
10 1232) and section 553 of title 5, United States
11 Code, the Secretary shall, by notice in the Federal
12 Register, publish the waivers or modifications of
13 statutory and regulatory provisions the Secretary
14 deems necessary to achieve the purposes of this sec-
15 tion.

16 (2) TERMS AND CONDITIONS.—The notice
17 under paragraph (1) shall include the terms and
18 conditions to be applied in lieu of such statutory and
19 regulatory provisions.

20 (3) CASE-BY-CASE BASIS.—The Secretary is not
21 required to exercise the waiver or modification au-
22 thority under this section on a case-by-case basis.

23 (c) IMPACT REPORT.—The Secretary shall, not later
24 than 15 months after first exercising any authority to
25 issue a waiver or modification under subsection (a), report

1 to the Committee on Education and the Workforce of the
2 House of Representatives and the Committee on Health,
3 Education, Labor and Pensions of the Senate on the im-
4 pact of any waivers or modifications issued pursuant to
5 subsection (a) on affected individuals and the programs
6 under title IV of the Act, and the basis for such deter-
7 mination, and include in such report the Secretary's rec-
8 ommendations for changes to the statutory or regulatory
9 provisions that were the subject of such waiver or modi-
10 fication.

11 (d) NO DELAY IN WAIVERS AND MODIFICATIONS.—
12 Sections 482(c) and 492 of the Higher Education Act of
13 1965 (20 U.S.C. 1089(c), 1098a) shall not apply to the
14 waivers and modifications authorized or required by this
15 title.

16 **SEC. 1503. TUITION REFUNDS OR CREDITS FOR MEMBERS**
17 **OF ARMED FORCES.**

18 (a) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that—

20 (1) all institutions offering postsecondary edu-
21 cation should provide a full refund to students who
22 are affected individuals for that portion of a period
23 of instruction such student was unable to complete,
24 or for which such individual did not receive academic

1 credit, because he or she was called up for active
2 duty or active service; and

3 (2) if affected individuals withdraw from a
4 course of study as a result of such active duty or ac-
5 tive service, such institutions should make every ef-
6 fort to minimize deferral of enrollment or reapplica-
7 tion requirements and should provide the greatest
8 flexibility possible with administrative deadlines re-
9 lated to those applications.

10 (b) DEFINITION OF FULL REFUND.—For purposes
11 of this section, a full refund includes a refund of required
12 tuition and fees, or a credit in a comparable amount
13 against future tuition and fees.

14 **SEC. 1504. USE OF PROFESSIONAL JUDGMENT.**

15 A financial aid administrator shall be considered to
16 be making a necessary adjustment in accordance with sec-
17 tion 479A(a) of the Act if the administrator makes adjust-
18 ments with respect to the calculation of the expected stu-
19 dent or parent contribution (or both) of an affected indi-
20 vidual, and adequately documents the need for the adjust-
21 ment.

22 **SEC. 1505. DEFINITIONS.**

23 In this title:

24 (1) ACTIVE DUTY.—The term “active duty” has
25 the meaning given such term in section 101(d)(1) of

1 title 10, United States Code, except that such term
2 does not include active duty for training or attend-
3 ance at a service school.

4 (2) AFFECTED INDIVIDUAL.—The term “af-
5 fected individual” means an individual who—

6 (A) is serving on active duty during a war
7 or other military operation or national emer-
8 gency;

9 (B) is performing qualifying National
10 Guard duty during a war or other military op-
11 eration or national emergency;

12 (C) resides or is employed in an area that
13 is declared a disaster area by any Federal,
14 State, or local official in connection with a na-
15 tional emergency; or

16 (D) suffered direct economic hardship as a
17 direct result of a war or other military oper-
18 ation or national emergency, as determined by
19 the Secretary.

20 (3) MILITARY OPERATION.—The term “military
21 operation” means a contingency operation as such
22 term is defined in section 101(a)(13) of title 10,
23 United States Code.

1 (4) NATIONAL EMERGENCY.—The term “na-
2 tional emergency” means a national emergency de-
3 clared by the President of the United States.

4 (5) SERVING ON ACTIVE DUTY.—The term
5 “serving on active duty during a war or other mili-
6 tary operation or national emergency” shall include
7 service by an individual who is—

8 (A) a Reserve of an Armed Force ordered
9 to active duty under section 12301(a),
10 12301(g), 12302, 12304, or 12306 of title 10,
11 United States Code, or any retired member of
12 an Armed Force ordered to active duty under
13 section 688 of such title, for service in connec-
14 tion with a war or other military operation or
15 national emergency, regardless of the location
16 at which such active duty service is performed;
17 and

18 (B) any other member of an Armed Force
19 on active duty in connection with such war, op-
20 eration, or emergency or subsequent actions or
21 conditions who has been assigned to a duty sta-
22 tion at a location other than the location at
23 which such member is normally assigned.

24 (6) QUALIFYING NATIONAL GUARD DUTY.—The
25 term “qualifying National Guard duty during a war

1 or other military operation or national emergency”
2 means service as a member of the National Guard
3 on full-time National Guard duty (as defined in sec-
4 tion 101(d)(5) of title 10, United States Code)
5 under a call to active service authorized by the
6 President or the Secretary of Defense for a period
7 of more than 30 consecutive days under section
8 502(f) of title 32, United States Code, in connection
9 with a war, another military operation, or a national
10 emergency declared by the President and supported
11 by Federal funds.

12 **SEC. 1506. TERMINATION OF AUTHORITY.**

13 The provisions of this title shall cease to be effective
14 at the close of September 30, 2005.

15 **DIVISION B—MILITARY CON-**
16 **STRUCTION AUTHORIZA-**
17 **TIONS**

18 **SEC. 2001. SHORT TITLE.**

19 This division may be cited as the “Military Construc-
20 tion Authorization Act for Fiscal Year 2004”.

21 **TITLE XXI—ARMY**

22 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**
23 **ACQUISITION PROJECTS.**

24 (a) **INSIDE THE UNITED STATES.**—Using amounts
25 appropriated pursuant to the authorization of appropria-

tions in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	\$5,500,000
Alaska	Fort Wainwright	\$138,800,000
California	Fort Irwin	\$3,350,000
Colorado	Fort Carson	\$2,150,000
Georgia	Fort Benning	\$34,500,000
	Fort Stewart/Hunter Army Air Field	\$138,550,000
Hawaii	Helemano Military Reservation ...	\$1,400,000
	Schofield Barracks	\$128,100,000
Kansas	Fort Leavenworth	\$115,000,000
	Fort Riley	\$40,000,000
Kentucky	Fort Knox	\$5,500,000
Louisiana	Fort Polk	\$72,000,000
Maryland	Fort Meade	\$9,600,000
Massachusetts	Soldier Systems Center, Natick ...	\$5,500,000
Missouri	Fort Leonard Wood	\$5,900,000
New Jersey	Naval Air Engineering Center, Lakehurst	\$2,250,000
	Picatinny Arsenal	\$11,800,000
New York	Fort Drum	\$139,300,000
North Carolina	Fort Bragg	\$163,400,000
Oklahoma	Fort Sill	\$5,500,000
Texas	Fort Bliss	\$5,400,000
	Fort Hood	\$56,700,000
Virginia	Fort Belvoir	\$7,000,000
	Fort Lee	\$3,850,000
	Fort Myer	\$9,000,000
Washington	Fort Lewis	\$3,900,000
	Total	\$1,108,500,000

(b) OUTSIDE THE UNITED STATES.—Subject to subsection (c), using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Grafenwoehr	\$76,000,000
	Heidelberg	\$17,000,000
	Hohenfels	\$13,200,000
	Vilseck	\$31,000,000
Italy	Aviano Air Base	\$28,500,000
	Livorno	\$22,000,000
Korea	Camp Humphreys	\$191,150,000
Kwajalein	Kwajalein	\$9,400,000
	Total	\$388,250,000

1 (c) CONDITION ON PROJECTS AUTHORIZATION.—

2 The authority of the Secretary of the Army to proceed
3 with the projects at Camp Humphreys, Korea, referred to
4 in the table in subsection (b), and to obligate amounts ap-
5 propriated pursuant to the authorization of appropriations
6 in section 2104(a)(2) in connection with such project, is
7 subject to the condition that the Secretary submit to the
8 congressional defense committees written notice in ad-
9 vance that the United States and the Republic of Korea
10 have entered into an agreement to ensure the availability
11 and use of land sufficient for such projects.

12 **SEC. 2102. FAMILY HOUSING.**

13 (a) CONSTRUCTION AND ACQUISITION.—Using
14 amounts appropriated pursuant to the authorization of ap-
15 propriations in section 2104(a)(5)(A), the Secretary of the
16 Army may construct or acquire family housing units (in-
17 cluding land acquisition and supporting facilities) at the
18 installations, for the purposes, and in the amounts set
19 forth in the following table:

Army: Family Housing

State or Country	Installation or location	Purpose	Amount
Alaska	Fort Wainwright	140 Units	\$64,000,000
Arizona	Fort Huachuca	220 Units	\$41,000,000
Kansas	Fort Riley	62 Units	\$16,700,000
Kentucky	Fort Knox	178 Units	\$41,000,000
New Mexico	White Sands Missile Range	58 Units	\$14,600,000
Oklahoma	Fort Sill	120 Units	\$25,373,000
Virginia	Fort Lee	90 Units	\$18,000,000
		Total: ...	\$220,673,000

1 (b) PLANNING AND DESIGN.—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2104(a)(5)(A), the Secretary of the Army may
4 carry out architectural and engineering services and con-
5 struction design activities with respect to the construction
6 or improvement of family housing units in an amount not
7 to exceed \$34,488,000.

8 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States
11 Code, and using amounts appropriated pursuant to the
12 authorization of appropriations in section 2104(a)(5)(A),
13 the Secretary of the Army may improve existing military
14 family housing units in an amount not to exceed
15 \$156,030,000.

16 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

17 (a) IN GENERAL.—Funds are hereby authorized to
18 be appropriated for fiscal years beginning after September
19 30, 2003, for military construction, land acquisition, and

1 military family housing functions of the Department of the
2 Army in the total amount of \$3,056,697,000, as follows:

3 (1) For military construction projects inside the
4 United States authorized by section 2101(a),
5 \$902,000,000.

6 (2) For military construction projects outside
7 the United States authorized by section 2101(b),
8 \$359,350,000.

9 (3) For unspecified minor construction projects
10 authorized by section 2805 of title 10, United States
11 Code, \$22,550,000.

12 (4) For architectural and engineering services
13 and construction design under section 2807 of title
14 10, United States Code, \$128,580,000.

15 (5) For military family housing functions:

16 (A) For construction and acquisition, plan-
17 ning and design, and improvement of military
18 family housing and facilities, \$409,191,000.

19 (B) For support of military family housing
20 (including the functions described in section
21 2833 of title 10, United States Code),
22 \$1,043,026,000.

23 (6) For the construction of phase 3 of a bar-
24 racks complex, D Street, at Fort Richardson, Alas-
25 ka, authorized by section 2101(a) of the Military

1 Construction Authorization Act for Fiscal Year 2002
2 (division B of Public Law 107–107; 115 Stat.
3 1280), as amended by section 2105 of this Act,
4 \$33,000,000.

5 (7) For the construction of phase 3 of a bar-
6 racks complex, 17th and B Streets, at Fort Lewis,
7 Washington, authorized by section 2101(a) of the
8 Military Construction Authorization Act for Fiscal
9 Year 2002 (division B of Public Law 107–107; 115
10 Stat. 1280), \$48,000,000.

11 (8) For the construction of phase 2 of a bar-
12 racks complex, Capron Road, at Schofield Barracks,
13 Hawaii, authorized by section 2101(a) of the Mili-
14 tary Construction Authorization Act for Fiscal Year
15 2003 (division B of Public Law 107–314; 116 Stat.
16 2681), \$49,000,000.

17 (9) For the construction of phase 2 of a bar-
18 racks complex, Range Road, at Fort Campbell, Ken-
19 tucky, authorized by section 2101(a) of the Military
20 Construction Authorization Act for Fiscal Year 2003
21 (division B of Public Law 107–314; 116 Stat.
22 2681), \$49,000,000.

23 (10) For the construction of phase 2 of a con-
24 solidated maintenance complex at Fort Sill, Okla-
25 homa, authorized by section 2101(a) of the Military

1 Construction Authorization Act for Fiscal Year 2003
2 (division B of Public Law 107–314; 116 Stat.
3 2681), \$13,000,000.

4 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
5 PROJECTS.—Notwithstanding the cost variations author-
6 ized by section 2853 of title 10, United States Code, and
7 any other cost variation authorized by law, the total cost
8 of all projects carried out under section 2101 of this Act
9 may not exceed the sum of the following:

10 (1) The total amount authorized to be appro-
11 priated under paragraphs (1) and (2) of subsection
12 (a).

13 (2) \$32,000,000 (the balance of the amount au-
14 thorized under section 2101(a) for construction of a
15 barracks, Fort Stewart/Hunter Army Airfield, Geor-
16 gia).

17 (3) \$87,000,000 (the balance of the amount au-
18 thorized under section 2101(a) for construction of
19 the Lewis and Clark Instructional Facility, Fort
20 Leavenworth, Kansas).

21 (4) \$43,000,000 (the balance of the amount au-
22 thorized under section 2101(a) for construction of a
23 barracks complex, Wheeler Army Airfield, Fort
24 Drum, New York).

1 (5) \$50,000,000 (the balance of the amount au-
2 thorized under section 2101(a) for construction of a
3 barracks complex, Bastogne Drive, Fort Bragg,
4 North Carolina).

5 (6) \$18,900,000 (the balance of the amount au-
6 thorized under section 2101(b) for construction of a
7 barracks complex, Vilseck, Germany).

8 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**
9 **CERTAIN FISCAL YEAR 2002 PROJECTS.**

10 (a) MODIFICATION.—The table in section 2101(a) of
11 the Military Construction Authorization Act for Fiscal
12 Year 2002 (division B of Public Law 107–107; 115 Stat.
13 1281), as amended by section 2105 of the Military Con-
14 struction Authorization Act for Fiscal Year 2003 (division
15 B of Public Law 107–314; 116 Stat. 2689), is further
16 amended—

17 (1) in the item relating to Fort Richardson,
18 Alaska, by striking “\$115,000,000” in the amount
19 column and inserting “\$117,000,000”; and

20 (2) by striking the amount identified as the
21 total in the amount column and inserting
22 “\$1,364,750,000”.

23 (b) CONFORMING AMENDMENT.—Section 2104(b)(2)
24 of that Act (115 Stat. 1284) is amended by striking
25 “\$52,000,000” and inserting “\$54,000,000”.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	\$22,230,000
California	Marine Corps Air-Ground Task Force Training Center, Twentynine Palms ..	\$42,090,000
	Marine Corps Air Station, Miramar	\$7,640,000
	Marine Corps Base, Camp Pendleton	\$73,580,000
	Naval Air Facility, San Clemente Island	\$18,940,000
	Naval Air Station, Lemoore	\$34,510,000
	Naval Air Station, North Island	\$49,240,000
	Naval Air Warfare Center, China Lake	\$12,230,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	\$6,150,000
	Naval Postgraduate School, Monterey ...	\$42,560,000
	Naval Station, San Diego	\$49,710,000
Connecticut	Naval Submarine Base, New London	\$3,120,000
District of Columbia	Marine Corps Barracks	\$1,550,000
Florida	Blount Island (Jacksonville)	\$115,711,000
	Naval Air Station, Jacksonville	\$9,190,000
	Naval Air Station, Whiting Field, Milton	\$4,830,000
	Naval Surface Warfare Center, Coastal Systems Station, Panama City	\$9,550,000
Georgia	Strategic Weapons Facility Atlantic, Kings Bay	\$11,510,000
Hawaii	Fleet and Industrial Supply Center, Pearl Harbor	\$32,180,000
	Naval Magazine, Lualualei	\$6,320,000
	Naval Shipyard, Pearl Harbor	\$7,010,000
Illinois	Naval Training Center, Great Lakes	\$137,120,000
Indiana	Naval Surface Warfare Center, Crane ...	\$11,400,000
Maryland	Naval Air Warfare Center, Patuxent River	\$28,270,000
	Naval Surface Warfare Center, Indian Head	\$14,850,000
Mississippi	Naval Air Station, Meridian	\$4,570,000
	Naval Station, Pascagoula	\$6,100,000
Nevada	Naval Air Station, Fallon	\$4,700,000
New Jersey	Naval Air Warfare Center, Lakehurst ...	\$20,681,000
	Naval Weapons Station, Earle	\$123,720,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
North Carolina	Marine Corps Air Station, New River	\$6,240,000
	Marine Corps Base, Camp Lejeune	\$29,450,000
Rhode Island	Naval Station, Newport	\$16,140,000
	Naval Undersea Warfare Center, Newport	\$10,890,000
South Carolina	Naval Weapons Station, Charleston	\$2,350,000
Texas	Naval Air Station, Corpus Christi	\$5,400,000
Virginia	Henderson Hall, Arlington	\$1,970,000
	Marine Corps Combat Development Command, Quantico	\$3,700,000
	Naval Air Station, Oceana	\$10,000,000
	Naval Amphibious Base, Little Creek	\$3,810,000
	Naval Space Command Center, Dahlgren	\$24,020,000
	Naval Station, Norfolk	\$182,240,000
	Norfolk Naval Shipyard, Portsmouth	\$17,770,000
Washington	Naval Air Station, Whidbey Island	\$4,350,000
	Naval Magazine, Indian Island	\$2,240,000
	Naval Shipyard, Puget Sound	\$12,120,000
	Naval Submarine Base, Bangor	\$33,820,000
	Strategic Weapons Facility Pacific, Bangor	\$6,530,000
Various Locations	Various Locations, CONUS	\$56,360,000
	Total	\$1,340,662,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the locations outside the United States, and
6 in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Naval Support Activity, Bahrain	\$18,030,000
Guam	Commander, United States Naval Forces, Marianas	\$1,700,000
Italy	Naval Air Station, Sigonella	\$48,749,000
	Naval Support Activity, La Maddalena ..	\$39,020,000
United Kingdom	Joint Maritime Facility, St. Mawgan	\$7,070,000
	Total	\$114,569,000

7 SEC. 2202. FAMILY HOUSING.

8 (a) CONSTRUCTION AND ACQUISITION.—Using
9 amounts appropriated pursuant to the authorization of ap-

1 appropriations in section 2204(a)(5)(A), the Secretary of the
 2 Navy may construct or acquire family housing units (in-
 3 cluding land acquisition and supporting facilities) at the
 4 installations, for the purposes, and in the amounts set
 5 forth in the following table:

Navy: Family Housing

State or Country	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore	187 Units	\$41,585,000
Florida	Naval Air Station, Pensa- cola	25 Units	\$4,447,000
North Carolina	Marine Corps Air Station, Cherry Point	339 Units	42,803,000
	Marine Corps Base, Camp Lejeune	519 Units	\$68,531,000
		Total	\$157,366,000

6 (b) PLANNING AND DESIGN.—Using amounts appro-
 7 priated pursuant to the authorization of appropriation in
 8 section 2204(a)(5)(A), the Secretary of the Navy may
 9 carry out architectural and engineering services and con-
 10 struction design activities with respect to the construction
 11 or improvement of military family housing units in an
 12 amount not to exceed \$8,381,000.

13 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
 14 **UNITS.**

15 Subject to section 2825 of title 10, United States
 16 Code, and using amounts appropriated pursuant to the
 17 authorization of appropriations in section 2204(a)(5)(A),
 18 the Secretary of the Navy may improve existing military
 19 family housing units in an amount not to exceed
 20 \$20,446,000.

1 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

2 (a) IN GENERAL.—Funds are hereby authorized to
3 be appropriated for fiscal years beginning after September
4 30, 2003, for military construction, land acquisition, and
5 military family housing functions of the Department of the
6 Navy in the total amount of \$2,288,917,000, as follows:

7 (1) For military construction projects inside the
8 United States authorized by section 2201(a),
9 \$1,005,882,000.

10 (2) For military construction projects outside
11 the United States authorized by section 2201(b),
12 \$114,569,000.

13 (3) For unspecified minor construction projects
14 authorized by section 2805 of title 10, United States
15 Code, \$13,624,000.

16 (4) For architectural and engineering services
17 and construction design under section 2807 of title
18 10, United States Code, \$71,141,000.

19 (5) For military family housing functions:

20 (A) For construction and acquisition, plan-
21 ning and design, and improvement of military
22 family housing and facilities, \$184,193,000.

23 (B) For support of military family housing
24 (including functions described in section 2833
25 of title 10, United States Code), \$852,778,000.

1 (6) For construction of a bachelors enlisted
2 quarters shipboard ashore at Naval Shipyard Nor-
3 folk, Virginia, authorized by section 2201(a) of the
4 Military Construction Authorization Act for Fiscal
5 Year 2003 (division B of Public Law 107-314; 116
6 Stat. 2687), \$46,730,000.

7 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
8 PROJECTS.—Notwithstanding the cost variations author-
9 ized by section 2853 of title 10, United States Code, and
10 any other cost variation authorized by law, the total cost
11 of all projects carried out under section 2201 of this Act
12 may not exceed the sum of the following:

13 (1) The total amount authorized to be appro-
14 priated under paragraphs (1) and (2) of subsection
15 (a).

16 (2) \$25,690,000 (the balance of the amount au-
17 thorized under section 2101(a) for construction of a
18 tertiary sewage treatment facility, Marine Corp
19 Base, Camp Pendleton, California).

20 (3) \$58,190,000 (the balance of the amount au-
21 thorized under section 2101(a) for construction of a
22 battle station training facility, Naval Training Cen-
23 ter, Great Lakes, Illinois).

24 (4) \$96,980,000 (the balance of the amount au-
25 thorized under section 2101(a) for construction of a

general purpose berthing pier, Naval Weapons Station Earle, New Jersey).

(5) \$118,170,000 (the balance of the amount authorized under section 2101(a) for construction of the Pier 11 replacement, Naval Station, Norfolk, Virginia).

(6) \$28,750,000 (the balance of the amount authorized under section 2101(a) for construction of outlying landing field facilities, various locations in the continental United States).

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	\$26,000,000
Alaska	Eielson Air Force Base	\$33,261,000
	Elmendorf Air Force Base	\$2,000,000
Arizona	Davis-Monthan Air Force Base	\$10,062,000
Arkansas	Little Rock Air Force Base	\$7,445,000
California	Beale Air Force Base	\$22,750,000
	Edwards Air Force Base	\$26,744,000
	Vandenberg Air Force Base	\$16,500,000
Colorado	Buckley Air Force Base	\$7,019,000
District of Columbia	Bolling Air Force Base	\$9,300,000
Florida	Hurlburt Field	\$27,200,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Georgia	Tyndall Air Force Base	\$20,720,000
	Robins Air Force Base	\$37,164,000
Hawaii	Hickam Air Force Base	\$73,296,000
Idaho	Mountain Home Air Force Base	\$5,445,000
Illinois	Scott Air Force Base	\$1,900,000
Mississippi	Columbus Air Force Base	\$2,200,000
	Keesler Air Force Base	\$2,900,000
Missouri	Whiteman Air Force Base	\$11,600,000
New Jersey	McGuire Air Force Base	\$11,861,000
New Mexico	Kirtland Air Force Base	\$11,247,000
	Tularosa Radar Test Site	\$3,600,000
North Carolina	Pope Air Force Base	\$24,499,000
	Seymour Johnson Air Force Base ...	\$23,022,000
North Dakota	Minot Air Force Base	\$3,190,000
Ohio	Wright-Patterson Air Force Base ...	\$21,100,000
Oklahoma	Altus Air Force Base	\$1,167,000
	Tinker Air Force Base	\$19,444,000
South Carolina	Charleston Air Force Base	\$9,042,000
	Shaw Air Force Base	\$8,500,000
Texas	Goodfellow Air Force Base	\$20,335,000
	Lackland Air Force Base	\$57,360,000
	Laughlin Air Force Base	\$12,400,000
	Sheppard Air Force Base	\$38,167,000
Utah	Hill Air Force Base	\$15,848,000
Virginia	Langley Air Force Base	\$25,474,000
Washington	McChord Air Force Base	\$19,000,000
	Total	\$668,762,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2304(a)(2), the Secretary of the Air Force
4 may acquire real property and carry out military construc-
5 tion projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the fol-
7 lowing table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Base	\$41,866,000
	Spangdahlem Air Base	\$5,411,000
Italy	Aviano Air Base	\$14,025,000
Korea	Kunsan Air Base	\$7,059,000
	Osan Air Base	\$16,638,000
Portugal	Lajes Field, Azores	\$4,086,000
Turkey	Incirlik Air Base	\$3,262,000
United Kingdom	Royal Air Force, Lakenheath	\$42,487,000
	Royal Air Force, Mildenhall	\$10,558,000
Wake Island	Wake Island	\$24,000,000

Air Force: Outside the United States—Continued

Country	Installation or location	Amount
	Total	\$169,392,000

1 (c) UNSPECIFIED WORLDWIDE.—Using amounts ap-
2 propriated pursuant to the authorization of appropriations
3 in section 2304(a)(3), the Secretary of the Air Force may
4 acquire real property and carry out military construction
5 projects for the installation and location, and in the
6 amount, set forth in the following table:

Air Force: Unspecified Worldwide

Location	Installation or location	Amount
Unspecified Worldwide	Classified Location	\$29,501,000
	Total	\$29,501,000

7 **SEC. 2302. FAMILY HOUSING.**

8 (a) CONSTRUCTION AND ACQUISITION.—Using
9 amounts appropriated pursuant to the authorization of ap-
10 propriations in section 2304(a)(6)(A), the Secretary of the
11 Air Force may construct or acquire family housing units
12 (including land acquisition and supporting facilities) at the
13 installations, for the purposes, and in the amounts set
14 forth in the following table:

Air Force: Family Housing

State or Country	Installation or location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	93 Units	\$19,357,000
California	Travis Air Force Base	56 Units	\$12,723,000
Delaware	Dover Air Force Base	112 Units	\$19,601,000
Florida	Eglin Air Force Base	279 Units	\$32,166,000
Idaho	Mountain Home Air Force Base	186 Units	\$37,126,000
Maryland	Andrews Air Force Base ...	50 Units	\$20,233,000
Missouri	Whiteman Air Force Base	100 Units	\$18,221,000
Montana	Malmstrom Air Force Base	94 Units	\$19,368,000

Air Force: Family Housing—Continued

State or Country	Installation or location	Purpose	Amount
North Carolina	Seymour Johnson Air Force Base	138 Units	\$18,336,000
North Dakota	Grand Forks Air Force Base	144 Units	\$29,550,000
	Minot Air Force Base	200 Units	\$41,117,000
South Dakota	Ellsworth Air Force Base	75 Units	\$16,240,000
Texas	Dyess Air Force Base	116 Units	\$19,973,000
	Randolph Air Force Base	96 Units	\$13,754,000
Korea	Osan Air Base	111 Units	\$44,765,000
Portugal	Lajes Field, Azores	42 Units	\$13,428,000
United Kingdom	Royal Air Force, Lakenheath	89 Units	\$23,640,000
		Total	\$399,598,000

1 (b) PLANNING AND DESIGN.—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2304(a)(6)(A), the Secretary of the Air Force may
4 carry out architectural and engineering services and con-
5 struction design activities with respect to the construction
6 or improvement of military family housing units in an
7 amount not to exceed \$33,488,000.

8 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States
11 Code, and using amounts appropriated pursuant to the
12 authorization of appropriations in section 2304(a)(6)(A),
13 the Secretary of the Air Force may improve existing mili-
14 tary family housing units in an amount not to exceed
15 \$227,979,000.

1 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
2 **FORCE.**

3 (a) IN GENERAL.—Funds are hereby authorized to
4 be appropriated for fiscal years beginning after September
5 30, 2003, for military construction, land acquisition, and
6 military family housing functions of the Department of the
7 Air Force in the total amount of \$2,477,609,000, as fol-
8 lows:

9 (1) For military construction projects inside the
10 United States authorized by section 2301(a),
11 \$660,282,000.

12 (2) For military construction projects outside
13 the United States authorized by section 2301(b),
14 \$169,392,000.

15 (3) For military construction projects at un-
16 specified worldwide locations authorized by section
17 2301(c), \$28,981,000.

18 (4) For unspecified minor construction projects
19 authorized by section 2805 of title 10, United States
20 Code, \$12,000,000.

21 (5) For architectural and engineering services
22 and construction design under section 2807 of title
23 10, United States Code, \$115,421,000.

24 (6) For military housing functions:

1 (A) For construction and acquisition, plan-
2 ning and design, and improvement of military
3 family housing and facilities, \$657,065,000.

4 (B) For support of military family housing
5 (including functions described in section 2833
6 of title 10, United States Code), \$834,468,000.

7 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
8 PROJECTS.—Notwithstanding the cost variations author-
9 ized by section 2853 of title 10, United States Code, and
10 any other cost variation authorized by law, the total cost
11 of all projects carried out under section 2301 of this Act
12 may not exceed the total amount authorized to be appro-
13 priated under paragraphs (1), (2), and (3) of subsection
14 (a).

15 **TITLE XXIV—DEFENSE**

16 **AGENCIES**

17 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**
18 **TION AND LAND ACQUISITION PROJECTS.**

19 (a) INSIDE THE UNITED STATES.—Using amounts
20 appropriated pursuant to the authorization of appropria-
21 tions in section 2405(a)(1), the Secretary of Defense may
22 acquire real property and carry out military construction
23 projects for the installations and locations inside the
24 United States, and in the amounts, set forth in the fol-
25 lowing table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Defense Education Activity ..	Marine Corps Base, Camp Lejeune, North Carolina	\$15,259,000
Defense Logistics Agency	Defense Distribution Depot, New Cumberland, Pennsylvania	\$27,700,000
	Eglin Air Force Base, Florida	\$4,800,000
	Eielson Air Force Base, Alaska	\$17,000,000
	Hickam Air Force Base, Hawaii	\$14,100,000
	Hurlburt Field, Florida	\$4,100,000
	Offutt Air Force Base, Nebraska	\$13,400,000
	Langley Air Force Base, Virginia	\$13,000,000
	Laughlin Air Force Base, Texas	\$4,688,000
	McChord Air Force Base, Washington	\$8,100,000
	Naval Air Station, Kingsville, Texas	\$9,200,000
	Nellis Air Force Base, Nevada	\$12,800,000
National Security Agency	Fort Meade, Maryland	\$1,842,000
Special Operations Command	Dam Neck, Virginia	\$15,281,000
	Fort Benning, Georgia	\$2,100,000
	Fort Bragg, North Carolina	\$36,300,000
	Fort Campbell, Kentucky	\$7,800,000
	Harrisburg International Airport, Pennsylvania	\$3,000,000
	Hurlburt Field, Florida	\$6,000,000
	MacDill, Air Force Base, Florida	\$25,500,000
	Naval Amphibious Base, Coronado, California	\$2,800,000
TRICARE Management Activity	Fort Hood, Texas	\$9,400,000
	Naval Station, Anacostia, District of Columbia	\$15,714,000
	Naval Submarine Base, New London, Connecticut	\$6,700,000
	United States Air Force Academy, Colorado	\$22,100,000
	Walter Reed Medical Center, District of Columbia	\$9,000,000
Washington Headquarters Services	Arlington, Virginia	\$38,086,000
	Total	\$345,770,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2405(a)(2), the Secretary of Defense may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the fol-
7 lowing table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Education Activity ..	Grafenwoehr, Germany	\$36,247,000
	Heidelberg, Germany	\$3,086,000
	Vilseck, Germany	\$1,773,000
	Sigonella, Italy	\$30,234,000
	Vicenza, Italy	\$16,374,000
	Camp Humphreys, Korea	\$31,683,000
Special Operations Command TRICARE Management Ac- tivity	Stuttgart, Germany	\$11,400,000
	Anderson Air Force Base, Guam	\$26,000,000
	Grafenwoehr, Germany	\$12,585,000
	Total	\$169,382,000

1 SEC. 2402. FAMILY HOUSING.

2 Using amounts appropriated pursuant to the author-
3 ization of appropriations in section 2405(a)(8)(A), the
4 Secretary of Defense may carry out architectural and en-
5 gineering services and construction design activities with
6 respect to the construction or improvement of military
7 family housing units in an amount not to exceed
8 \$300,000.

**9 SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING
10 UNITS.**

11 Subject to section 2825 of title 10, United States
12 Code, and using amounts appropriated pursuant to the
13 authorization of appropriations in section 2405(a)(8)(A),
14 the Secretary of Defense may improve existing military
15 family housing units in an amount not to exceed \$50,000.

16 SEC. 2404. ENERGY CONSERVATION PROJECTS.

17 Using amounts appropriated pursuant to the author-
18 ization of appropriations in section 2405(a)(6), the Sec-
19 retary of Defense may carry out energy conservation

1 projects under section 2865 of title 10, United States
2 Code, in the amount of \$69,500,000.

3 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DE-**
4 **FENSE AGENCIES.**

5 (a) IN GENERAL.—Funds are hereby authorized to
6 be appropriated for fiscal years beginning after September
7 30, 2003, for military construction, land acquisition, and
8 military family housing functions of the Department of
9 Defense (other than the military departments) in the total
10 amount of \$1,223,066,000, as follows:

11 (1) For military construction projects inside the
12 United States authorized by section 2401(a),
13 \$343,570,000.

14 (2) For military construction projects outside
15 the United States authorized by section 2401(b),
16 \$152,017,000.

17 (3) For unspecified minor construction projects
18 under section 2805 of title 10, United States Code,
19 \$16,153,000.

20 (4) For contingency construction projects of the
21 Secretary of Defense under section 2804 of title 10,
22 United States Code, \$8,960,000.

23 (5) For architectural and engineering services
24 and construction design under section 2807 of title
25 10, United States Code, \$66,834,000.

1 (6) For energy conservation projects authorized
2 by section 2404, \$69,500,000.

3 (7) For base closure and realignment activities
4 as authorized by the Defense Base Closure and Re-
5 alignment Act of 1990 (part A of title XXIX of
6 Public Law 101–510; 10 U.S.C. 2687 note),
7 \$370,427,000.

8 (8) For military family housing functions:

9 (A) For planning, design, and improve-
10 ment of military family housing and facilities,
11 \$350,000.

12 (B) For support of military family housing
13 (including functions described in section 2833
14 of title 10, United States Code), \$49,440,000.

15 (C) For credit to the Department of De-
16 fense Family Housing Improvement Fund es-
17 tablished by section 2883(a)(1) of title 10,
18 United States Code, \$300,000.

19 (9) For construction of the Defense Threat Re-
20 duction Center at Fort Belvoir, Virginia, authorized
21 by section 2401(a) of the Military Construction Au-
22 thorization Act for Fiscal Year 2003 (division B of
23 Public Law 107–314; 116 Stat. 2695), \$25,700,000.

24 (10) For the construction of phase 5 of an am-
25 munition demilitarization facility at Pueblo Depot

1 Activity, Colorado, authorized by section 2401(a) of
2 the Military Construction Authorization Act for Fis-
3 cal Year 1997 (division B of Public Law 104-201;
4 110 Stat. 2775), as amended by section 2406 of the
5 Military Construction Authorization Act for Fiscal
6 Year 2000 (division B of Public Law 106-65; 113
7 Stat. 839) and section 2407 of the Military Con-
8 struction Authorization Act for Fiscal Year 2003
9 (division B of Public Law 107-314; 116 Stat.
10 2698), \$88,388,000.

11 (11) For the construction of phase 6 of an am-
12 munition demilitarization facility at Newport Army
13 Ammunition Plant, Indiana, authorized by section
14 2401(a) of the Military Construction Authorization
15 Act for Fiscal Year 1999 (division B of Public Law
16 105-261; 112 Stat. 2193), as amended by section
17 2406 of the Military Construction Authorization Act
18 for Fiscal Year 2003 (division B of Public Law 107-
19 314; 116 Stat. 2698), \$15,207,000.

20 (12) For the construction of phase 4 of an am-
21 munition demilitarization facility at Blue Grass
22 Army Depot, Kentucky, authorized by section
23 2401(a) of the Military Construction Authorization
24 Act for Fiscal Year 2000 (division B of Public Law
25 106-65; 113 Stat. 835), as amended by section

1 2405 of the Military Construction Authorization Act
2 for Fiscal Year 2002 (division B of Public Law 107–
3 107; 115 Stat. 1298) and section 2405 of the Mili-
4 tary Construction Authorization Act for Fiscal Year
5 2003 (division B of Public Law 107–314; 116 Stat.
6 2698), \$16,220,000.

7 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
8 PROJECTS.—Notwithstanding the cost variations author-
9 ized by section 2853 of title 10, United States Code, and
10 any other cost variation authorized by law, the total cost
11 of all projects carried out under section 2401 of this Act
12 may not exceed the total amount authorized to be appro-
13 priated under paragraphs (1) and (2) of subsection (a).

14 **TITLE XXV—NORTH ATLANTIC**
15 **TREATY ORGANIZATION SE-**
16 **CURITY INVESTMENT PRO-**
17 **GRAM**

18 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**
19 **ACQUISITION PROJECTS.**

20 The Secretary of Defense may make contributions for
21 the North Atlantic Treaty Organization Security Invest-
22 ment program as provided in section 2806 of title 10,
23 United States Code, in an amount not to exceed the sum
24 of the amount authorized to be appropriated for this pur-
25 pose in section 2502 and the amount collected from the

1 North Atlantic Treaty Organization as a result of con-
2 struction previously financed by the United States.

3 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

4 Funds are hereby authorized to be appropriated for
5 fiscal years beginning after September 30, 2003, for con-
6 tributions by the Secretary of Defense under section 2806
7 of title 10, United States Code, for the share of the United
8 States of the cost of projects for the North Atlantic Treaty
9 Organization Security Investment program authorized by
10 section 2501, in the amount of \$169,300,000.

11 **TITLE XXVI—GUARD AND**
12 **RESERVE FORCES FACILITIES**

13 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**
14 **TION AND LAND ACQUISITION PROJECTS.**

15 There are authorized to be appropriated for fiscal
16 years beginning after September 30, 2003, for the costs
17 of acquisition, architectural and engineering services, and
18 construction of facilities for the Guard and Reserve
19 Forces, and for contributions therefor, under chapter
20 1803 of title 10, United States Code (including the cost
21 of acquisition of land for those facilities), the following
22 amounts:

23 (1) For the Department of the Army—

24 (A) for the Army National Guard of the
25 United States, \$253,788,000; and

1 (B) for the Army Reserve, \$89,840,000.

2 (2) For the Department of the Navy, for the
3 Naval and Marine Corps Reserve, \$45,762,000.

4 (3) For the Department of the Air Force—

5 (A) for the Air National Guard of the
6 United States, \$123,408,000; and

7 (B) for the Air Force Reserve,
8 \$61,143,000.

9 **TITLE XXVII—EXPIRATION AND**
10 **EXTENSION OF AUTHORIZA-**
11 **TIONS**

12 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
13 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
14 **LAW.**

15 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE
16 YEARS.—Except as provided in subsection (b), all author-
17 izations contained in titles XXI through XXVI for military
18 construction projects, land acquisition, family housing
19 projects and facilities, and contributions to the North At-
20 lantic Treaty Organization Security Investment program
21 (and authorizations of appropriations therefor) shall ex-
22 pire on the later of—

23 (1) October 1, 2006; or

1 (2) the date of the enactment of an Act author-
2 izing funds for military construction for fiscal year
3 2007.

4 (b) EXCEPTION.—Subsection (a) shall not apply to
5 authorizations for military construction projects, land ac-
6 quisition, family housing projects, and facilities, and con-
7 tributions to the North Atlantic Treaty Organization Se-
8 curity Investment program (and authorizations of appro-
9 priations therefor) for which appropriated funds have been
10 obligated before the later of—

11 (1) October 1, 2006; or

12 (2) the date of the enactment of an Act author-
13 izing funds for fiscal year 2007 for military con-
14 struction projects, land acquisition, family housing
15 projects and facilities, and contributions to the
16 North Atlantic Treaty Organization Security Invest-
17 ment program.

18 **SEC. 2702. EXTENSION OF AUTHORIZATION OF CERTAIN**
19 **FISCAL YEAR 2001 PROJECT.**

20 (a) EXTENSION OF CERTAIN PROJECT.—Notwith-
21 standing section 2701 of the Floyd D. Spence National
22 Defense Authorization Act for Fiscal Year 2001 (as en-
23 acted into law by Public Law 106–398; 114 Stat. 1654A–
24 407), the authorization set forth in the table in subsection
25 (b), as provided in section 2102 of that Act, shall remain

1 in effect until October 1, 2004, or the date of the enact-
 2 ment of an Act authorizing funds for military construction
 3 for fiscal year 2005, whichever is later.

4 (b) TABLE.—The table referred to in subsection (a)
 5 is as follows:

Army: Extension of 2001 Project Authorization

State	Installation or loca- tion	Project	Amount
South Carolina	Fort Jackson	New Construc- tion—GFOQ	\$250,000

6 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 7 **FISCAL YEAR 2000 PROJECTS.**

8 (a) EXTENSION.—Notwithstanding section 2701 of
 9 the Military Construction Authorization Act for Fiscal
 10 Year 2000 (division B of Public Law 106–65; 113 Stat.
 11 841), the authorizations set forth in the tables in sub-
 12 section (b), as provided in section 2302 or 2601 of that
 13 Act and extended by section 2702 of the Military Con-
 14 struction Authorization Act for Fiscal Year 2003 (division
 15 B of Public Law 107–314; 116 Stat. 2700), shall remain
 16 in effect until October 1, 2004, or the date of the enact-
 17 ment of an Act authorizing funds for military construction
 18 for fiscal year 2005, whichever is later.

19 (b) TABLES.—The tables referred to in subsection (a)
 20 is as follows:

Air Force: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Oklahoma	Tinker Air Force Base	Replace Family Housing (41 Units)	\$6,000,000

Army National Guard: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Virginia	Fort Pickett	Multi-purpose Range-Heavy	\$13,500,000

1 **SEC. 2704. EFFECTIVE DATE.**

2 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI
3 of this Act shall take effect on the later of—

4 (1) October 1, 2003; or

5 (2) the date of the enactment of this Act.

6 **TITLE XXVIII—GENERAL**
7 **PROVISIONS**

8 **Subtitle A—Military Construction**
9 **Program and Military Family**
10 **Housing Changes**

11 **SEC. 2801. INCREASE IN MAXIMUM AMOUNT OF AUTHOR-**
12 **IZED ANNUAL EMERGENCY CONSTRUCTION.**

13 Section 2803(c)(1) of title 10, United States Code,
14 is amended by striking “\$30,000,000” and inserting
15 “\$45,000,000”.

1 **SEC. 2802. AUTHORITY TO LEASE MILITARY FAMILY HOUS-**
2 **ING UNITS IN ITALY.**

3 Section 2828(e)(2) of title 10, United States Code,
4 is amended by striking “2,000 units“ and inserting
5 “2,800 units”.

6 **SEC. 2803. CHANGES TO ALTERNATIVE AUTHORITY FOR AC-**
7 **QUISITION AND IMPROVEMENT OF MILITARY**
8 **HOUSING.**

9 (a) SPACE LIMITATIONS BY PAY GRADE.—Section
10 2880(b)(2) of title 10, United States Code, is amended
11 by striking “unless the unit is located on a military instal-
12 lation”.

13 (b) DEPARTMENT OF DEFENSE HOUSING FUND.—
14 (1) Section 2883 of such title is amended by striking sub-
15 sections (a), (b), and (c) and inserting the following new
16 subsections (a) and (b):

17 “(a) ESTABLISHMENT.—There is hereby established
18 on the books of the Treasury an account to be known as
19 the Department of Defense Housing Improvement Fund
20 (in this section referred to as the ‘Fund’).

21 “(b) CREDITS TO FUND.—There shall be credited to
22 the Fund the following:

23 “(1) Amounts authorized for and appropriated
24 to the Fund.

25 “(2) Subject to subsection (e), any amounts
26 that the Secretary of Defense transfers, in such

1 amounts as are provided for in appropriation Acts,
2 to the Fund from amounts authorized and appro-
3 priated to the Department of Defense for the acqui-
4 sition or construction of military family housing or
5 military unaccompanied housing.

6 “(3) Proceeds from the conveyance or lease of
7 property or facilities under section 2878 of this title
8 for the purpose of carrying out activities under this
9 subchapter with respect to military family housing
10 or military unaccompanied housing.

11 “(4) Income derived from any activities under
12 this subchapter with respect to military family hous-
13 ing or military unaccompanied housing, income and
14 gains realized from investments under section 2875
15 of this title, and any return of capital invested as
16 part of such investments.

17 “(5) Any amounts that the Secretary of the
18 Navy transfers to the Fund pursuant to section
19 2814(i)(3) of this title, subject to the restrictions on
20 the use of the transferred amounts specified in that
21 section.”.

22 (2) Such section is further amended—

23 (A) by redesignating subsections (d) through
24 (g) as subsections (c) through (f), respectively;

25 (B) in subsection (c), as so redesignated—

1 (i) in the subsection heading, by striking
2 “FUNDS” and inserting “FUND”;

3 (ii) in paragraph (1)—

4 (I) by striking “subsection (e)” and
5 inserting “subsection (d)”; and

6 (II) by striking “Department of De-
7 fense Family Housing Improvement Fund”
8 and inserting “Fund”;

9 (iii) by striking paragraph (2); and

10 (iv) by redesignating paragraph (3) as
11 paragraph (2);

12 (C) in subsection (e), as so redesignated, by
13 striking “a Fund under paragraph (1)(B) or (2)(B)
14 of subsection (c)” and inserting “the Fund under
15 subsection (b)(2)”; and

16 (D) in subsection (f), as so redesignated, by
17 striking “\$850,000,000” in paragraph (1) and in-
18 serting “\$900,000,000”.

19 (c) TRANSFER OF UNOBLIGATED AMOUNTS.—(1)
20 The Secretary of Defense shall transfer to the Department
21 of Defense Housing Improvement Fund established under
22 section 2883(a) of title 10, United States Code (as amend-
23 ed by subsection (b)), any amounts in the Department of
24 Defense Family Housing Improvement Fund and the De-
25 partment of Defense Military Unaccompanied Housing

1 Improvement that remain available for obligation as of the
2 date of the enactment of this Act.

3 (2) Amounts transferred to the Department of De-
4 fense Housing Improvement Fund under paragraph (1)
5 shall be merged with amounts in that Fund, and shall be
6 available for the same purposes, and subject to the same
7 conditions and limitations, as other amounts in that Fund.

8 (d) CONFORMING AMENDMENTS.—(1) Paragraph (3)
9 of section 2814(i) of such title is amended—

10 (A) by striking subparagraph (A) and inserting
11 the following new subparagraph (A):

12 “(A) The Secretary may transfer funds from the
13 Ford Island Improvement Account to the Department of
14 Defense Housing Improvement Fund established by sec-
15 tion 2883(a) of this title.”; and

16 (B) in subparagraph (B), by striking “a fund”
17 and inserting “the Fund”.

18 (2) Section 2871(6) of such title is amended by strik-
19 ing “Department of Defense Family Housing Improve-
20 ment Fund or the Department of Defense Military Unac-
21 companied Housing Improvement Fund” and inserting
22 “Department of Defense Housing Improvement Fund”.

23 (3) Section 2875(e) of such title is amended by strik-
24 ing “Department of Defense Family Housing Improve-
25 ment Fund or the Department of Defense Military Unac-

1 companied Housing Improvement Fund” and inserting
 2 “Department of Defense Housing Improvement Fund”.

3 (e) CLERICAL AMENDMENTS.—(1) The section head-
 4 ing for section 2883 of such title is amended to read as
 5 follows:

6 **“§ 2883. Department of Defense Housing Improve-**
 7 **ment Fund”.**

8 (2) The table of sections at the beginning subchapter
 9 IV of chapter 169 of such title is amended by striking
 10 the item relating to section 2883 and inserting the fol-
 11 lowing new item:

“2883. Department of Defense Housing Improvement Fund.”.

12 **SEC. 2804. ADDITIONAL MATERIAL FOR ANNUAL REPORT**
 13 **ON HOUSING PRIVATIZATION PROGRAM.**

14 Section 2884(b) of title 10, United States Code, is
 15 amended—

16 (1) in paragraph (2), by inserting before the pe-
 17 riod at the end the following: “, and such rec-
 18 ommendations as the Secretary considers necessary
 19 for improving the extent and effectiveness of the use
 20 of such authorities in the future”; and

21 (2) by striking paragraph (3) and inserting the
 22 following new paragraphs:

23 “(3) A review of activities of the Secretary
 24 under this subchapter during such preceding fiscal
 25 year, shown for military family housing, military un-

1 accompanied housing, dual military family housing
2 and military unaccompanied housing, and ancillary
3 supporting facilities.

4 “(4) If a contract for the acquisition or con-
5 struction of military family housing, military unac-
6 companied housing, or dual military family housing
7 and military unaccompanied housing entered into
8 during the preceding fiscal year did not include the
9 acquisition or construction of the types of ancillary
10 supporting facilities specifically referred to in section
11 2871(1) of this title, a explanation of the reasons
12 why such ancillary supporting facilities were not in-
13 cluded.

14 “(5) A description of the Secretary’s plans for
15 housing privatization activities under this subchapter
16 (A) during the fiscal year for which the budget is
17 submitted, and (B) during the period covered by the
18 then-current future-years defense plan under section
19 221 of this title.”.

1 **SEC. 2805. AUTHORITY TO CONVEY PROPERTY AT MILITARY**
2 **INSTALLATIONS CLOSED OR TO BE CLOSED**
3 **IN EXCHANGE FOR MILITARY CONSTRUCTION**
4 **ACTIVITIES.**

5 (a) IN GENERAL.—(1) Subchapter III of chapter 169
6 of title 10, United States Code, is amended by adding at
7 the end the following new section:

8 **“§ 2869. Conveyance of property at military installa-**
9 **tions closed or to be closed in exchange**
10 **for military construction activities**

11 “(a) CONVEYANCE AUTHORIZED; CONSIDERATION.—
12 The Secretary of Defense may enter into an agreement
13 to convey real property, including any improvements
14 thereon, located on a military installation that is closed
15 or realigned under a base closure law to any person who
16 agrees, in exchange for the real property—

17 “(1) to carry out, or provide services in connec-
18 tion with, an authorized military construction
19 project; or

20 “(2) to transfer to the Secretary of Defense
21 housing that is constructed or provided by the per-
22 son and located at or near a military installation at
23 which there is a shortage of suitable military family
24 housing or military unaccompanied housing (or
25 both).

1 “(b) CONDITIONS ON CONVEYANCE AUTHORITY.—A
2 conveyance of real property may be made under subsection
3 (a) only if—

4 “(1) the fair market value of the consideration
5 to be received in exchange for the real property con-
6 veyed under subsection (a) is equal to or greater
7 than the fair market value of the property, including
8 any improvements thereon, as determined by the
9 Secretary concerned; and

10 “(2) in the event the fair market value of the
11 consideration to be received is equal to at least 90
12 percent, but less than 100 percent, of the fair mar-
13 ket value of the real property to be conveyed, includ-
14 ing any improvements thereon, the recipient of the
15 property agrees to pay to the Secretary of Defense
16 an amount equal to the difference in the fair market
17 values.

18 “(c) USE OF AUTHORITY.—(1) To the maximum ex-
19 tent practicable, the Secretary of Defense shall use the
20 authority provided by subsection (a) to convey at least 20
21 percent of the total acreage conveyed each fiscal year at
22 military installations closed or realigned under the base
23 closure laws. Notice of the proposed use of this authority
24 shall be provided in such manner as the Secretary may
25 prescribe, including publication in the Federal Register

1 and otherwise. In determining such total acreage for a fis-
2 cal year, the Secretary shall exclude real property identi-
3 fied in a redevelopment plan as property essential to the
4 reuse or redevelopment of a military installation closed or
5 to be closed under a base closure law.

6 “(2) To the maximum extent practicable, the Sec-
7 retary of Defense shall endeavor to use the authority pro-
8 vided by subsection (a) to obtain military construction and
9 military housing services having a total value of at least
10 \$200,000,000 each fiscal year for each of the military de-
11 partments.

12 “(3) The Secretary concerned shall utilize the author-
13 ity provided in subsection (a) in lieu of obligating and ex-
14 pending funds appropriated for military construction and
15 military housing projects that are authorized by law.

16 “(d) DEPOSIT OF FUNDS.—The Secretary of Defense
17 may deposit funds received under subsection (b)(2) in the
18 Department of Defense Housing Improvement Fund es-
19 tablished under section 2883(a) of this title.

20 “(e) ANNUAL REPORT.—The Secretary of Defense
21 shall include each year in the materials that the Secretary
22 submits to Congress in support of the budget submitted
23 by the President pursuant to section 1105 of title 31 a
24 report detailing the extent to which the Secretary used the
25 authority provided by subsection (a) to convey real prop-

erty in exchange for military construction and military housing and plans for the use of such authority for the future. The report shall include the following:

“(1) The total value of the real property that was actually conveyed during the preceding fiscal year using the authority provided by subsection (a).

“(2) The total value of the military construction and military housing services obtained in exchange, and, if the dollar goal specified in subsection (c)(2) was not achieved for a military department, an explanation regarding the reasons why the goal was not achieved.

“(3) The current inventory of unconveyed lands at military installations closed or realigned under a base closure law.

“(4) A description of the results of conveyances under subsection (a) during the preceding fiscal year and plans for such conveyances for the current fiscal year, the fiscal year covered by the budget, and the period covered by the current future-years defense program under section 221 of this title.

“(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of real property conveyed under subsection (a) shall be determined by surveys satisfactory to the Secretary of Defense.

1 “(g) ADDITIONAL TERMS AND CONDITIONS.—The
2 Secretary of Defense may require such additional terms
3 and conditions in connection with a conveyance under sub-
4 section (a) as the Secretary considers appropriate to pro-
5 tect the interests of the United States.”.

6 (2) The table of sections at the beginning of such sub-
7 chapter is amended by adding at the end the following
8 new item:

“2869. Conveyance of property at military installations closed or to be closed
in exchange for military construction activities.”.

9 (b) EXCEPTION TO REQUIREMENT FOR AUTHORIZA-
10 TION OF NUMBER OF HOUSING UNITS.—Section 2822(b)
11 of such title is amended by adding at the end the following
12 new paragraph:

13 “(6) Housing units constructed or provided
14 under section 2869 of this title.”.

15 (c) CONFORMING AMENDMENT TO DEPARTMENT OF
16 DEFENSE HOUSING IMPROVEMENT FUND.—Section
17 2883(b) of such title, as amended by section 2803, is fur-
18 ther amended by adding at the end the following new para-
19 graph:

20 “(6) Any amounts that the Secretary concerned
21 transfers to the Fund pursuant to section 2869 of
22 this title.”.

23 (d) CONFORMING REPEALS TO BASE CLOSURE
24 LAWS.—(1) Section 204(e) of the Defense Authorization

1 Amendments and Base Closure and Realignment Act
2 (Public Law 100–526; 10 U.S.C. 2687 note) is repealed.

3 (2) Section 2905(f) of the Defense Base Closure and
4 Realignment Act of 1990 (part A of title XXIX of Public
5 Law 101–510; 10 U.S.C. 2687 note) is repealed.

6 **SEC. 2806. CONGRESSIONAL NOTIFICATION AND REPORT-**
7 **ING REQUIREMENTS AND LIMITATIONS RE-**
8 **GARDING USE OF OPERATION AND MAINTEN-**
9 **NANCE FUNDS FOR CONSTRUCTION.**

10 (a) IN GENERAL.—Subchapter I of chapter 169 of
11 title 10, United States Code, is amended by inserting after
12 section 2809 the following new section:

13 **“§ 2810. Use of operation and maintenance funds for**
14 **construction: notification and reporting**
15 **requirements and limitations**

16 “(a) ADVANCE NOTIFICATION OF OBLIGATION OF
17 FUNDS.—(1) The Secretary concerned shall submit to the
18 appropriate committees of Congress advance written no-
19 tice before appropriations available for operation and
20 maintenance are obligated for construction described in
21 paragraph (2). The notice shall be submitted not later
22 than 14 days before the date on which appropriations
23 available for operation and maintenance are first obligated
24 for that construction and shall contain the information re-
25 quired by subsection (c).

1 “(2) Paragraph (1) applies with respect to any con-
2 struction having an estimated total cost of more than
3 \$1,500,000, but not more than \$5,000,000, which is paid
4 for in whole or in part using appropriations available for
5 operation and maintenance, if—

6 “(A) the construction is necessary to meet ur-
7 gent military operational requirements of a tem-
8 porary nature;

9 “(B) the construction was not carried out at a
10 military installation where the United States is rea-
11 sonably expected to have a long-term interest or
12 presence;

13 “(C) the United States has no intention of
14 using the construction after the operational require-
15 ment has been satisfied; and

16 “(D) the level of construction is the minimum
17 necessary to meet the temporary operational need.

18 “(b) WAIVER AUTHORITY; CONGRESSIONAL NOTIFI-
19 CATION.—(1) The Secretary concerned may waive the ad-
20 vance notice requirement under subsection (a) on a case-
21 by-case basis if the Secretary determines that—

22 “(A) the project is vital to the national security
23 or to the protection of health, safety, or the quality
24 of the environment; and

1 “(B) the requirement for the construction is so
2 urgent that deferral of the construction during the
3 period specified in subsection (a)(1) would be incon-
4 sistent with national security or the protection of
5 health, safety, or environmental quality, as the case
6 may be.

7 “(2) Not later than five days after the date on which
8 a waiver is granted under paragraph (1), the Secretary
9 concerned shall provide to the appropriate committees of
10 Congress written notice containing the reasons for the
11 waiver and the information required by subsection (c) with
12 regard to the construction for which the waiver was grant-
13 ed.

14 “(c) CONTENT OF NOTICE.—The notice provided
15 under subsection (a) or (b) with regard to construction
16 funded using appropriations available for operation and
17 maintenance shall include the following:

18 “(1) A description of the purpose for which the
19 funds are being obligated.

20 “(2) An estimate of the total amount to be obli-
21 gated for the construction.

22 “(3) The reasons appropriations available for
23 operation and maintenance are being used.

24 “(d) LIMITATIONS ON USE OF OPERATION AND
25 MAINTENANCE FUNDS.—(1) The Secretary concerned

1 shall not use appropriations available for operation and
 2 maintenance to carry out any construction having an esti-
 3 mated total cost of more than \$5,000,000.

4 “(2) The total cost of construction carried out by the
 5 Secretaries concerned in whole or in part using appropria-
 6 tions available for operation and maintenance shall not ex-
 7 ceed \$200,000,000 in any fiscal year.

8 “(e) QUARTERLY REPORT.—The Secretary con-
 9 cerned shall submit to the appropriate committees of Con-
 10 gress a quarterly report on the worldwide obligation and
 11 expenditure of appropriations available for operation and
 12 maintenance by the Secretary concerned for construction
 13 during the preceding quarter.”.

14 (b) CLERICAL AMENDMENT.—The table of sections
 15 at the beginning of such subchapter is amended by insert-
 16 ing after the item relating to section 2809 the following
 17 new item:

“2810. Use of operation and maintenance funds for construction: notification
 and reporting requirements and limitations.”.

18 **SEC. 2807. INCREASE IN AUTHORIZED MAXIMUM LEASE**
 19 **TERM FOR FAMILY HOUSING AND OTHER FA-**
 20 **CILITIES IN CERTAIN FOREIGN COUNTRIES.**

21 (a) LEASE OF MILITARY FAMILY HOUSING.—Section
 22 2828(d)(1) of title 10, United States Code, is amended
 23 by striking “ten years,” and inserting “10 years, or 15
 24 years in the case of leases in Korea,”.

1 (b) LEASES OF OTHER FACILITIES.—Section 2675
2 of such title is amended by inserting after “five years,”
3 the following: “or 15 years in the case of a lease in
4 Korea,”.

5 **SEC. 2808. ANNUAL REPORT ON MILITARY CONSTRUCTION**
6 **REQUIREMENTS TO SUPPORT HOMELAND DE-**
7 **FENSE MISSIONS OF THE ARMED FORCES.**

8 As part of the annual defense authorization request
9 required by section 113a(b) of title 10, United States
10 Code, the Secretary of Defense shall include an assess-
11 ment of the military construction requirements anticipated
12 to be necessary to support the homeland defense missions
13 of the Armed Forces for the fiscal year for which the de-
14 fense authorization request is submitted, for the fiscal
15 years covered by the then-current future-years defense
16 plan under section 221 of such title, and for subsequent
17 fiscal years.

18 **Subtitle B—Real Property and**
19 **Facilities Administration**

20 **SEC. 2811. REAL PROPERTY TRANSACTIONS.**

21 (a) INCREASE IN LAND ACQUISITION AUTHORITY
22 COST THRESHOLD.—Section 2672 of title 10, United
23 States Code, is amended by striking “\$500,000” both
24 places it appears and inserting “\$1,500,000”.

1 (b) PROMPT NOTIFICATION OF CERTAIN LAND AC-
2 QUISSIONS.—Section 2672a of such title is amended—

3 (1) in subsection (a)(1), by striking “he or his
4 designee” and inserting “the Secretary”;

5 (2) in subsection (b), by striking the last sen-
6 tence; and

7 (3) by adding at the end the following new sub-
8 section:

9 “(c) Not later than 10 days after the determination
10 is made under subsection (a)(1) that acquisition of an in-
11 terest in land is needed in the interest of the national de-
12 fense, the Secretary of the military department making
13 that determination shall provide to the Committee on
14 Armed Services of the Senate and the Committee on
15 Armed Services of the House of Representatives written
16 notice containing a description of the property and interest
17 to be acquired and the reasons for the acquisition.”.

18 (c) MODIFICATION OF RELATED NOTIFICATION RE-
19 QUIREMENTS.—Section 2662 of such title is amended—

20 (1) in subsection (a)—

21 (A) by striking “30 days” and all that fol-
22 lows through “is submitted” and inserting “14
23 days after the beginning of the month with re-
24 spect to which a single report containing the
25 facts concerning such transaction and all other

1 such proposed transactions for that month is
2 submitted, not later than the first day of that
3 month,”; and

4 (B) by striking “\$500,000” each place it
5 appears and inserting “\$1,500,000”;

6 (2) in subsection (b), by striking “more than”
7 and all that follows through “\$500,000” and insert-
8 ing “more than \$250,000 but not more than
9 \$1,500,000”;

10 (3) in subsection (e)—

11 (A) by striking “\$500,000” and inserting
12 “\$1,000,000”; and

13 (B) by striking “thirty days” and inserting
14 “14 days”; and

15 (4) in subsection (g)(3), by striking “30 days”
16 and inserting “14 days”.

17 (d) CLERICAL AMENDMENTS.—(1) The heading of
18 section 2672 of such title is amended to read as follows:

19 **“§ 2672. Authority to acquire low-cost interests in**
20 **land”.**

21 (2) The item relating to section 2672 in the table of
22 sections at the beginning of chapter 159 of such title is
23 amended to read as follows:

 “2672. Authority to acquire low-cost interests in land.”.

1 **SEC. 2812. SENSE OF CONGRESS ON DEMOLITION OF ARMY**
2 **TACONY WAREHOUSE DEPOT SITE, PHILA-**
3 **DELPHIA, PENNSYLVANIA.**

4 (a) FINDINGS.—Congress finds the following:

5 (1) The Department of Defense Appropriations
6 Act, 2001 (Public Law 106–259; 114 Stat. 656),
7 appropriated \$5,000,000 for the demolition of the
8 Army Tacony Warehouse depot site in Philadelphia,
9 Pennsylvania, operated by Fort Dix.

10 (2) The Secretary of the Army has yet to imple-
11 ment plans to demolish the Tacony warehouse.

12 (b) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that the Secretary of the Army should take swift
14 action to finally demolish the Tacony warehouse, as pre-
15 viously required by Act of Congress.

16 **Subtitle C—Land Conveyances**

17 **SEC. 2821. TERMINATION OF LEASE AND CONVEYANCE OF**
18 **ARMY RESERVE FACILITY, CONWAY, ARKAN-**
19 **SAS.**

20 (a) TERMINATION OF LEASE.—Upon the completion
21 of the replacement facility authorized for the Army Re-
22 serve facility located in Conway, Arkansas, the Secretary
23 of the Army may terminate the 99-year lease between the
24 Secretary and the University of Central Arkansas for the
25 property on which the old facility is located.

1 (b) CONVEYANCE OF FACILITY.—As part of the ter-
2 mination of the lease under subsection (a), the Secretary
3 may convey, without consideration, to the University of
4 Central Arkansas all right, title, and interest of the United
5 States in and to the Army Reserve facility located on the
6 leased property.

7 (c) ASSUMPTION OF LIABILITY.—The University of
8 Central Arkansas shall expressly accept any and all liabil-
9 ity pertaining to the physical condition of the Army Re-
10 serve facility conveyed under subsection (b) and shall hold
11 the United States harmless from any and all liability aris-
12 ing from the facility’s physical condition.

13 **SEC. 2822. ACTIONS TO QUIET TITLE, FALLIN WATERS SUB-**
14 **DIVISION, EGLIN AIR FORCE BASE, FLORIDA.**

15 (a) AUTHORITY TO QUIET TITLE.—(1) Notwith-
16 standing the restoration provisions under the heading
17 “QUARTERMASTER CORPS” in the Second Deficiency Ap-
18 propriation Act, 1940 (Act of June 27, 1940; chapter 437;
19 54 Stat. 655), the Secretary of the Air Force may take
20 appropriate action to quiet title to tracts of land referred
21 to in paragraph (2) on, at, adjacent, adjoining, or near
22 Eglin Air Force Base, Florida. The Secretary may take
23 such action in order to resolve encroachments upon private
24 property by the United States and upon property of the

1 United States by private parties, which resulted from reli-
2 ance on inaccurate surveys.

3 (2) The tracts of land referred to in paragraph (1)
4 are generally described as south of United States Highway
5 98 and bisecting the north/south section line of sections
6 13 and 14, township 2 south, range 25 west, located in
7 the platted subdivision of Fallin Waters, Okaloosa County,
8 Florida. The exact acreage and legal description of such
9 tracts of land shall be determined by a survey satisfactory
10 to the Secretary.

11 (b) AUTHORIZED ACTIONS.—In carrying out sub-
12 section (a), appropriate action by the Secretary may in-
13 clude any of the following:

14 (1) Disclaiming, on behalf of the United States,
15 any intent by the United States to acquire by pre-
16 scription any property at or in the vicinity of Eglin
17 Air Force Base.

18 (2) Disposing of tracts of land owned by the
19 United States.

20 (3) Acquiring tracts of land by purchase, by do-
21 nation, or by exchange for tracts of land owned by
22 the United States at or adjacent to Eglin Air Force
23 Base.

24 (c) ACREAGE LIMITATIONS.—Individual tracts of
25 land acquired or conveyed by the Secretary under para-

1 graph (2) or (3) of subsection (a) may not exceed .10
2 acres. The total acreage so acquired may not exceed two
3 acres.

4 (d) CONSIDERATION.—Any conveyance by the Sec-
5 retary under this section may be made, at the discretion
6 of the Secretary, without consideration, or by exchange for
7 tracts of land adjoining Eglin Air Force Base in posses-
8 sion of private parties who mistakenly believed that they
9 had acquired title to such tracts.

10 **SEC. 2823. MODIFICATION OF LAND CONVEYANCE, EGLIN**
11 **AIR FORCE BASE, FLORIDA.**

12 (a) MODIFICATION.—Public Law 91–347 (84 Stat.
13 447) is amended—

14 (1) in the first section, by inserting “or for
15 other public purposes” before the period at the end;
16 and

17 (2) in section 3(1)—

18 (A) by inserting “or for other public pur-
19 poses” after “schools”; and

20 (B) by striking “such purpose” and insert-
21 ing “such a purpose”.

22 (b) ALTERATION OF LEGAL INSTRUMENT.—The Sec-
23 retary of the Air Force shall execute and file in the appro-
24 priate office an amended deed or other appropriate instru-
25 ment effectuating the modification of the reversionary in-

1 terest retained by the United States in connection with
2 the conveyance made pursuant to Public Law 91–347.

3 **SEC. 2824. LAND CONVEYANCE, FORT CAMPBELL, KEN-**
4 **TUCKY AND TENNESSEE.**

5 (a) CONVEYANCE AUTHORIZED.—The Secretary of
6 the Army may convey to the department of transportation
7 of the State of Tennessee (in this section referred to as
8 the “department”) all right, title, and interest of the
9 United States in and to a parcel of real property (right-
10 of-way), including any improvements thereon, located at
11 Fort Campbell, Kentucky and Tennessee, for the purpose
12 of realigning and upgrading United States Highway 79
13 from a two-lane highway to a four-lane highway.

14 (b) CONSIDERATION.—(1) As consideration for the
15 conveyance under subsection (a), the department shall pay
16 from any source (including Federal funds made available
17 to the State from the Highway Trust Fund) all of the
18 costs of the Secretary incurred—

19 (A) to convey the property, including costs re-
20 lated to the preparation of documents under the Na-
21 tional Environmental Policy Act of 1969 (42 U.S.C.
22 4321 et seq.), surveys (including all surveys required
23 under subsection (c)), cultural reviews, and adminis-
24 trative oversight;

1 (B) to relocate a cemetery to permit the high-
2 way realignment and upgrading;

3 (C) to acquire approximately 200 acres of mis-
4 sion-essential replacement property required to sup-
5 port the training mission at Fort Campbell; and

6 (D) to dispose of residual Federal property lo-
7 cated south of the realigned highway.

8 (2) The Secretary may accept funds under this sub-
9 section from the Federal Highway Administration or the
10 State of Tennessee to pay costs described in paragraph
11 (1) and credit them to the appropriate Department of the
12 Army accounts for the purpose of paying such costs.

13 (3) All funds accepted by the Secretary under this
14 subsection shall remain available until expended.

15 (c) DESCRIPTION OF PROPERTY.—The exact acreage
16 and legal description of the property to be conveyed under
17 subsection (a) or acquired and disposed of under section
18 (b) shall be determined by surveys satisfactory to the Sec-
19 retary.

20 (d) ADDITIONAL TERMS AND CONDITIONS.—The
21 Secretary may require such additional terms and condi-
22 tions in connection with the conveyance under subsection
23 (a) as the Secretary considers appropriate to protect the
24 interests of the United States.

1 **SEC. 2825. LAND CONVEYANCE, ARMY AND AIR FORCE EX-**
2 **CHANGE SERVICE PROPERTY, DALLAS,**
3 **TEXAS.**

4 (a) CONVEYANCE AUTHORIZED.—The Secretary of
5 Defense may authorize the Army and Air Force Exchange
6 Service, a nonappropriated fund instrumentality of the
7 United States, to convey, by sale, all right, title, and inter-
8 est of the United States in and to a parcel of real property,
9 including any improvements thereon, located at 1515
10 Roundtable Drive in Dallas, Texas.

11 (b) CONSIDERATION.—As consideration for convey-
12 ance under subsection (a), the purchaser shall pay to the
13 Secretary, in a single lump sum payment, an amount
14 equal to the fair market value of the real property con-
15 veyed, as determined by the Secretary. Section 574(a) of
16 title 40, United States Code, shall apply with respect to
17 the amounts received by the Secretary under this sub-
18 section.

19 (c) DESCRIPTION OF PROPERTY.—The exact acreage
20 and legal description of the real property to be conveyed
21 under subsection (a) shall be determined by a survey satis-
22 factory to the Secretary. The cost of the survey shall be
23 borne by the purchaser.

24 (d) ADDITIONAL TERMS AND CONDITIONS.—The
25 Secretary may require such additional terms and condi-
26 tions in connection with the conveyance under subsection

1 (a) as the Secretary considers appropriate to protect the
2 interests of the United States.

3 **SEC. 2826. LAND CONVEYANCE, NAVAL RESERVE CENTER,**
4 **ORANGE, TEXAS.**

5 (a) CONVEYANCE AUTHORIZED.—The Secretary of
6 the Navy may convey to the City of Orange, Texas (in
7 this section referred to as the “City”), all right, title, and
8 interest of the United States in and to a parcel of unim-
9 proved real property consisting of approximately 2.5 acres
10 at Naval Reserve Center, Orange, Texas for the purpose
11 of permitting the City to use the property for road con-
12 struction, economic development, and other public pur-
13 poses.

14 (b) CONSIDERATION.—As consideration for the con-
15 veyance under subsection (a), the City shall provide the
16 United States, whether by cash payment, in-kind contribu-
17 tion, or a combination thereof, an amount that is not less
18 than the fair market value, as determined by the Sec-
19 retary, of the property conveyed under such subsection.

20 (c) PAYMENT OF COSTS OF CONVEYANCE.—(1) The
21 Secretary may require the City to cover costs to be in-
22 curred by the Secretary, or to reimburse the Secretary for
23 costs incurred by the Secretary, to carry out the convey-
24 ance under subsection (a), including survey costs, costs re-
25 lated to environmental documentation, and other adminis-

1 trative costs related to the conveyance. If amounts are col-
2 lected from the City in advance of the Secretary incurring
3 the actual costs, and the amount collected exceeds the
4 costs actually incurred by the Secretary to carry out the
5 conveyance, the Secretary shall refund the excess amount
6 to the City.

7 (2) Amounts received as reimbursement under para-
8 graph (1) shall be credited to the fund or account that
9 was used to cover the costs incurred by the Secretary in
10 carrying out the conveyance. Amounts so credited shall be
11 merged with amounts in such fund or account, and shall
12 be available for the same purposes, and subject to the
13 same conditions and limitations, as amounts in such fund
14 or account.

15 (d) EXEMPTION FROM FEDERAL SCREENING.—The
16 conveyance authorized by subsection (a) is exempt from
17 the requirement to screen the property for other Federal
18 use pursuant to sections 2693 and 2696 of title 10, United
19 States Code.

20 (e) DESCRIPTION OF PROPERTY.—The exact acreage
21 and legal description of the real property to be conveyed
22 under subsection (a) shall be determined by a survey satis-
23 factory to the Secretary.

24 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
25 retary may require such additional terms and conditions

1 in connection with the conveyance under subsection (a) as
2 the Secretary considers appropriate to protect the inter-
3 ests of the United States.

4 **SEC. 2827. LAND CONVEYANCE, FORT BELVOIR, VIRGINIA.**

5 (a) CONVEYANCE REQUIRED.—The Secretary of the
6 Army shall convey, without consideration, to Fairfax
7 County, Virginia (in this section referred to as the “Coun-
8 ty”), all right, title, and interest of the United States in
9 and to a parcel of real property, including any improve-
10 ments thereon, consisting of approximately 10 acres at
11 Fort Belvoir and known as the John McNaughton Memo-
12 rial baseball fields for the purpose of permitting the Coun-
13 ty to use the property for recreational purposes.

14 (b) PAYMENT OF COSTS OF CONVEYANCE.—(1) The
15 Secretary may require the County to cover costs to be in-
16 curred by the Secretary, or to reimburse the Secretary for
17 costs incurred by the Secretary, to carry out the convey-
18 ance under subsection (a), including survey costs, costs re-
19 lated to environmental documentation, and other adminis-
20 trative costs related to the conveyance. If amounts are col-
21 lected from the County in advance of the Secretary incur-
22 ring the actual costs, and the amount collected exceeds
23 the costs actually incurred by the Secretary to carry out
24 the conveyance, the Secretary shall refund the excess
25 amount to the County.

1 (2) Amounts received as reimbursement under para-
2 graph (1) shall be credited to the fund or account that
3 was used to cover the costs incurred by the Secretary in
4 carrying out the conveyance. Amounts so credited shall be
5 merged with amounts in such fund or account, and shall
6 be available for the same purposes, and subject to the
7 same conditions and limitations, as amounts in such fund
8 or account.

9 (c) DESCRIPTION OF PROPERTY.—The exact acreage
10 and legal description of the real property to be conveyed
11 under subsection (a) shall be determined by a survey satis-
12 factory to the Secretary.

13 (d) ADDITIONAL TERMS AND CONDITIONS.—The
14 Secretary may require such additional terms and condi-
15 tions in connection with the conveyance under subsection
16 (a) as the Secretary considers appropriate to protect the
17 interests of the United States.

18 **SEC. 2828. LAND CONVEYANCE, PUGET SOUND NAVAL SHIP-**
19 **YARD, BREMERTON, WASHINGTON.**

20 (a) CONVEYANCE AUTHORIZED.—The Secretary of
21 the Navy may convey to the City of Bremerton, Wash-
22 ington (in this section referred to as the “City”), all right,
23 title, and interest of the United States in and to a parcel
24 of real property, including any improvements thereon, con-
25 sisting of approximately 2.8 acres at the eastern end of

1 the Puget Sound Naval Shipyard, Bremerton, Wash-
2 ington, immediately adjacent to the Bremerton Transpor-
3 tation Center.

4 (b) CONSIDERATION.—As consideration for the con-
5 veyance under subsection (a), the City, directly or through
6 an agreement with another entity, shall replace adminis-
7 trative space on the parcel to be conveyed by renovating
8 for new occupancy approximately 7,500 square feet of ex-
9 isting space in Building 433 at Naval Station, Bremerton,
10 Washington, at no cost to the United States, in accord-
11 ance with plans and specifications acceptable to the Sec-
12 retary. In lieu of any portion of such renovation, the Sec-
13 retary may accept other facility alteration or repair of not
14 less than equal value.

15 (c) PAYMENT OF COSTS OF CONVEYANCE.—(1) The
16 Secretary shall require the City to cover costs to be in-
17 curred by the Secretary, or to reimburse the Secretary for
18 costs incurred by the Secretary, to carry out the convey-
19 ance under subsection (a), including survey costs, costs re-
20 lated to environmental documentation, and other adminis-
21 trative costs related to the conveyance. If amounts are col-
22 lected from the City in advance of the Secretary incurring
23 the actual costs, and the amount collected exceeds the
24 costs actually incurred by the Secretary to carry out the

1 conveyance, the Secretary shall refund the excess amount
2 to the City.

3 (2) Amounts received as reimbursement under para-
4 graph (1) shall be credited to the fund or account that
5 was used to cover the costs incurred by the Secretary in
6 carrying out the conveyance. Amounts so credited shall be
7 merged with amounts in such fund or account, and shall
8 be available for the same purposes, and subject to the
9 same conditions and limitations, as amounts in such fund
10 or account.

11 (d) ENVIRONMENTAL CONDITIONS.—The Secretary
12 may use funds available in the Environmental Restoration
13 Account, Navy to carry out the environmental remediation
14 of the real property to be conveyed under subsection (a).
15 Such environmental remediation shall be conducted in a
16 manner consistent with section 120 of the Comprehensive
17 Environmental Response, Compensation, and Liability Act
18 of 1980 (42 U.S.C. 9620), including the requirement to
19 consider the anticipated future land use of the parcel.

20 (e) EXEMPTION FROM FEDERAL SCREENING.—The
21 conveyance authorized by subsection (a) is exempt from
22 the requirement to screen the property for other Federal
23 use pursuant to sections 2693 and 2696 of title 10, United
24 States Code.

1 (f) DESCRIPTION OF PROPERTY.—The exact acreage
2 and legal description of the real property to be conveyed
3 under subsection (a) shall be determined by a survey satis-
4 factory to the Secretary.

5 (g) ADDITIONAL TERMS AND CONDITIONS.—The
6 Secretary may require such additional terms and condi-
7 tions in connection with the conveyance under subsection
8 (a) as the Secretary considers appropriate to protect the
9 interests of the United States.

10 **Subtitle D—Other Matters**

11 **SEC. 2841. REDESIGNATION OF YUMA TRAINING RANGE**

12 **COMPLEX AS BOB STUMP TRAINING RANGE**

13 **COMPLEX.**

14 The military aviation training facility located in
15 southwestern Arizona and southeastern California and
16 known as the Yuma Training Range Complex shall be
17 known and designated as the “Bob Stump Training Range
18 Complex”. Any reference to such training range complex
19 in any law, regulation, map, document, record, or other
20 paper of the United States shall be considered to be a ref-
21 erence to the Bob Stump Training Range Complex.

1 **SEC. 2842. MODIFICATION OF AUTHORITY TO CONDUCT A**
2 **ROUND OF REALIGNMENTS AND CLOSURES**
3 **OF MILITARY INSTALLATIONS IN 2005.**

4 (a) REVISION TO FORCE STRUCTURE PLAN FOR
5 2005 ROUND.—Section 2912(a) of the Defense Base Clo-
6 sure and Realignment Act of 1990 (part A of title XXIX
7 of Public Law 101–510; 10 U.S.C. 2687 note), as added
8 by section 3001 of the National Defense Authorization Act
9 for Fiscal Year 2002 (Public Law 107–107; 115 Stat.
10 1342), is amended—

11 (1) by striking subparagraph (A) of paragraph
12 (1) and inserting the following:

13 “(A) A force-structure plan for the Armed
14 Forces that—

15 “(i) at a minimum, assumes the force
16 structure under the 1991 Base Force force
17 structure (as defined in paragraph (5))
18 that is also known as the ‘Cheney-Powell
19 force structure’; and

20 “(ii) includes such consideration as
21 the Secretary considers appropriate of an
22 assessment by the Secretary of—

23 “(I) the probable threats to the
24 national security during the 20-year
25 period beginning with fiscal year
26 2005;

1 “(II) the probable end-strength
2 levels and major military force units
3 (including land force divisions, carrier
4 and other major combatant vessels,
5 air wings, and other comparable
6 units) needed to meet those threats;
7 and

8 “(III) the anticipated levels of
9 funding that will be available for na-
10 tional defense purposes during such
11 period.”;

12 (2) in paragraph (2)(A), by inserting before the
13 period at the end the following: “, based upon an as-
14 sumption that there are no installations available
15 outside the United States for the permanent basing
16 of elements of the Armed Forces”;

17 (3) in paragraph (4), by inserting after the first
18 sentence the following new sentence: “Any such revi-
19 sion shall be consistent with this subsection.”; and

20 (4) by adding at the end the following new
21 paragraph:

22 “(5) BASE FORCE.—In this subsection, the
23 term ‘1991 Base Force force structure’ means the
24 force structure plan for the Armed Forces, known as
25 the ‘Base Force’, that was adopted by the Secretary

1 of Defense in November 1990 based upon rec-
2 ommendations of the Chairman of the Joint Chiefs
3 of Staff and as incorporated in the President's budg-
4 et for fiscal year 1992, as submitted to Congress in
5 February 1991 and that assumed the following force
6 structure:

7 “(A) For the Department of Defense,
8 1,600,000 members of the Armed Forces on ac-
9 tive duty and 900,000 members in an active
10 status in the reserve components.

11 “(B) For the Army, 12 active divisions, six
12 National Guard divisions, and two cadre divi-
13 sions or their equivalents.

14 “(C) For the Navy, 12 aircraft carrier bat-
15 tle groups or their equivalents and 451 naval
16 vessels, including 85 attack submarines.

17 “(D) For the Marine Corps, three active
18 and one Reserve divisions and three active and
19 one Reserve air wings.

20 “(E) For the Air Force, 15 active fighter
21 wings and 11 National Guard fighter wings or
22 their equivalents.”.

23 (b) PREPARATION OF LIST OF MILITARY INSTALLA-
24 TIONS EXCLUDED FROM CONSIDERATION IN 2005
25 ROUND.—Section 2913 of the Defense Base Closure and

1 Realignment Act of 1990 (part A of title XXIX of Public
2 Law 101–510; 10 U.S.C. 2687 note), as added by section
3 3002 of the National Defense Authorization Act for Fiscal
4 Year 2002 (Public Law 107–107; 115 Stat. 1344), is
5 amended by adding at the end the following new sub-
6 sections:

7 “(g) BASE EXCLUSION CRITERIA.—In preparing the
8 selection criteria required by this section that will be used
9 in making recommendations for the closure or realignment
10 of military installations inside the United States, the Sec-
11 retary shall ensure that the final criteria reflect the re-
12 quirement to develop a list of those military installations
13 to be excluded from the base closure and realignment
14 process, as provided in subsection (h).

15 “(h) LIST OF INSTALLATIONS EXCLUDED FROM
16 CONSIDERATION FOR CLOSURE OR REALIGNMENT.—(1)
17 Before preparing the list required by section 2914(a) of
18 the military installations inside the United States that the
19 Secretary recommends for closure or realignment, the Sec-
20 retary shall prepare a list of core military installations
21 that the Secretary considers absolutely essential to the na-
22 tional defense and that should not be considered for clo-
23 sure.

24 “(2) Not later than April 1, 2005, the Secretary shall
25 submit to the congressional defense committees, publish

1 in the Federal Register, and send to the Commission the
2 list required by paragraph (1). The list shall contain at
3 least 50 percent of the total number of military installa-
4 tions located inside the United States as of the date of
5 the enactment of the National Defense Authorization Act
6 for Fiscal Year 2004.

7 “(3) The Commission shall consider the list based on
8 the final criteria developed under subsection (e). The Com-
9 mission may modify this list, in the manner provided in
10 section 2903(d) and section 2914(d), if the Commission
11 finds that the inclusion of a military installation on the
12 list substantially violates the criteria. The Commission
13 shall forward to the President, not later than April 30,
14 2005, a report containing its recommendations regarding
15 the list, which must comply with the percentages specified
16 in paragraph (2). The Comptroller General shall also com-
17 ply with section 2903(d)(5) by that date.

18 “(4) If the Commission submits a report to the Presi-
19 dent under paragraph (3), the President shall notify Con-
20 gress, not later than May 10, 2005, regarding whether the
21 President approves or disapproves the report. If the Presi-
22 dent disapproves the report, the Commission shall be dis-
23 solved, and the process by which military installations may
24 be selected for closure or realignment under this part in
25 2005 shall be terminated.

1 “(5) A military installation included on the exclusion
2 list approved under this subsection may not be included
3 on the closure and realignment list prepared under section
4 2914(a) or otherwise considered for closure or realignment
5 as part of the base closure process in 2005.”.

6 **SEC. 2843. USE OF FORCE-STRUCTURE PLAN FOR THE**
7 **ARMED FORCES IN PREPARATION OF SELEC-**
8 **TION CRITERIA FOR BASE CLOSURE ROUND.**

9 Section 2913(a) of the Defense Base Closure and Re-
10 alignment Act of 1990 (part A of title XXIX of Public
11 Law 101–510; 10 U.S.C. 2687 note), as added by section
12 3002 of the National Defense Authorization Act for Fiscal
13 Year 2002 (Public Law 107–107; 115 Stat. 1344), is
14 amended by adding at the end the following new para-
15 graph:

16 “(3) USE OF FORCE-STRUCTURE PLAN.—In
17 preparing the proposed and final criteria to be used
18 by the Secretary in making recommendations under
19 section 2914 for the closure or realignment of mili-
20 tary installations inside the United States, the Sec-
21 retary shall use the force-structure plan for the
22 Armed Forces prepared under section 2912(a).”.

1 **SEC. 2844. REQUIREMENT FOR UNANIMOUS VOTE OF DE-**
2 **FENSE BASE CLOSURE AND REALIGNMENT**
3 **COMMISSION TO RECOMMEND CLOSURE OF**
4 **MILITARY INSTALLATION NOT REC-**
5 **OMMENDED FOR CLOSURE BY SECRETARY**
6 **OF DEFENSE.**

7 Section 2914(d) of the Defense Base Closure and Re-
8 alignment Act of 1990 (part A of title XXIX of Public
9 Law 101–510; 10 U.S.C. 2687 note), as added by section
10 3003 of the Military Construction Authorization Act for
11 Fiscal Year 2002 (division B of Public Law 107–107; 155
12 Stat, 1346) and amended by section 2854 of the Bob
13 Stump National Defense Authorization Act for Fiscal
14 Year 2003 (Public Law 107–314; 116 Stat. 2728), is
15 amended—

16 (1) in paragraph (3), by striking “TO ADD” and
17 inserting “TO CONSIDER ADDITIONS”; and

18 (2) in paragraph (5)—

19 (A) by inserting “AND UNANIMOUS VOTE”
20 after “SITE VISIT”; and

21 (B) by inserting before the period at the
22 end the following: “and the decision of the
23 Commission to recommend the closure of the
24 installation is unanimous”.

1 **SEC. 2845. CONSIDERATION OF PUBLIC-ACCESS-ROAD**
2 **ISSUES RELATED TO DISPOSAL OF PROP-**
3 **ERTY AT MILITARY INSTALLATIONS UNDER**
4 **BASE CLOSURE PROCESS.**

5 (a) 1988 LAW.—Section 204(b)(2)(E) of the Defense
6 Authorization Amendments and Base Closure and Re-
7 alignment Act (Public Law 100–526; 10 U.S.C. 2687
8 note) is amended by adding at the end the following new
9 sentence: “If a military installation to be closed or placed
10 in an inactive status under this title includes a road used
11 for public access through, into, or around the installation,
12 the consultation required by this subparagraph shall in-
13 clude a discussion of measures to ensure the continued
14 availability of the road for public use after the installation
15 is closed or placed in an inactive status.”.

16 (b) 1990 LAW.—Section 2905(b)(2)(D) of the De-
17 fense Base Closure and Realignment Act of 1990 (part
18 A of title XXIX of Public Law 101–510; 10 U.S.C. 2687
19 note) is amended by adding at the end the following new
20 sentence: “If a military installation to be closed or placed
21 in an inactive status under this part includes a road used
22 for public access through, into, or around the installation,
23 the consultation required by this subparagraph shall in-
24 clude a discussion of measures to ensure the continued
25 availability of the road for public use after the installation
26 is closed or placed in an inactive status.”.

1 **DIVISION C—DEPARTMENT OF**
2 **ENERGY NATIONAL SECURITY**
3 **AUTHORIZATIONS AND**
4 **OTHER AUTHORIZATIONS**
5 **TITLE XXXI—DEPARTMENT OF**
6 **ENERGY NATIONAL SECURITY**
7 **PROGRAMS**
8 **Subtitle A—National Security**
9 **Programs Authorizations**

10 **SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-**
11 **TION.**

12 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
13 are hereby authorized to be appropriated to the Depart-
14 ment of Energy for fiscal year 2004 for the activities of
15 the National Nuclear Security Administration in carrying
16 out programs necessary for national security in the
17 amount of \$8,822,075,000, to be allocated as follows:

18 (1) For weapons activities, \$6,393,000,000.

19 (2) For defense nuclear nonproliferation activi-
20 ties, \$1,312,695,000.

21 (3) For naval reactors, \$768,400,000.

22 (4) For the Office of the Administrator for Nu-
23 clear Security, \$347,980,000.

24 (b) AUTHORIZATION OF NEW PLANT PROJECTS.—
25 From funds referred to in subsection (a) that are available

1 for carrying out plant projects, the Secretary of Energy
2 may carry out, for weapons activities, the following new
3 plant projects:

4 Project 04–D–101, test capabilities revitaliza-
5 tion, Sandia National Laboratories, Albuquerque,
6 New Mexico, \$36,450,000.

7 Project 04–D–102, exterior communications in-
8 frastructure modernization, Sandia National Labora-
9 tories, Albuquerque, New Mexico, \$20,000,000.

10 Project 04–D–103, project engineering and de-
11 sign, various locations, \$2,000,000.

12 Project 04–D–104, national security sciences
13 building, Los Alamos National Laboratory, Los Ala-
14 mos, New Mexico, \$38,000,000.

15 Project 04–D–125, chemistry and metallurgy
16 facility replacement project, Los Alamos National
17 Laboratory, Los Alamos, New Mexico, \$20,500,000.

18 Project 04–D–126, Building 12-44 production
19 cells upgrade, Pantex plant, Amarillo, Texas,
20 \$8,780,000.

21 Project 04–D–127, cleaning and loading modi-
22 fications, Savannah River Site, Aiken, South Caro-
23 lina, \$2,750,000.

1 Project 04–D–128, TA–18 Mission relocation
2 project, Los Alamos National Laboratory, Los Ala-
3 mos, New Mexico, \$8,820,000.

4 Project 04–D–203, facilities and infrastructure
5 recapitalization program, project engineering and de-
6 sign, various locations, \$3,719,000.

7 **SEC. 3102. DEFENSE ENVIRONMENTAL MANAGEMENT.**

8 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
9 are hereby authorized to be appropriated to the Depart-
10 ment of Energy for fiscal year 2004 for environmental
11 management activities in carrying out programs necessary
12 for national security in the amount of \$6,819,314,000, to
13 be allocated as follows:

14 (1) For defense site acceleration completion,
15 \$5,824,135,000.

16 (2) For defense environmental services,
17 \$995,179,000.

18 (b) AUTHORIZATION OF NEW PLANT PROJECTS.—
19 From funds referred to in subsection (a) that are available
20 for carrying out plant projects, the Secretary of Energy
21 may carry out, for defense site acceleration completion,
22 the following new plant projects:

23 Project 04–D–408, glass waste storage building
24 #2, Savannah River Site, Aiken, South Carolina,
25 \$20,259,000.

1 Project 04–D–414, project engineering and de-
2 sign, various locations, \$23,500,000.

3 Project 04–D–423, 3013 container surveillance
4 capability in 235-F, Savannah River Site, Aiken,
5 South Carolina, \$1,134,000.

6 **SEC. 3103. OTHER DEFENSE ACTIVITIES.**

7 Funds are hereby authorized to be appropriated to
8 the Department of Energy for fiscal year 2004 for other
9 defense activities in carrying out programs necessary for
10 national security in the amount of \$497,331,000.

11 **SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.**

12 Funds are hereby authorized to be appropriated to
13 the Department of Energy for fiscal year 2004 for defense
14 nuclear waste disposal for payment to the Nuclear Waste
15 Fund established in section 302(c) of the Nuclear Waste
16 Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount
17 of \$430,000,000.

18 **SEC. 3105. ENERGY SUPPLY.**

19 Funds are hereby authorized to be appropriated to
20 the Department of Energy for fiscal year 2004 for energy
21 supply activities in carrying out programs necessary for
22 national security in the amount of \$110,473,000.

1 **Subtitle B—Program Authoriza-**
2 **tions, Restrictions, and Limita-**
3 **tions**

4 **SEC. 3111. MODIFICATION OF PROHIBITION RELATING TO**
5 **LOW-YIELD NUCLEAR WEAPONS.**

6 Section 3136 of the National Defense Authorization
7 Act for Fiscal Year 1994 (42 U.S.C. 2121 note) is amend-
8 ed—

9 (1) in the section heading, by striking “**RE-**
10 **SEARCH AND DEVELOPMENT**” and inserting
11 “**DEVELOPMENT AND PRODUCTION**”;

12 (2) in subsection (a), by striking “conduct re-
13 search and development which could lead to the pro-
14 duction by the United States of” and insert “develop
15 or produce”;

16 (3) in subsection (b)—

17 (A) by striking “conduct, or provide for
18 the conduct of, research and development which
19 could lead to the production by the United
20 States of” and insert “develop, produce, or pro-
21 vide for the development or production of,”; and

22 (B) by striking “the date of the enactment
23 of this Act,” and inserting “November 30,
24 1993,”;

25 (4) in subsection (c)—

1 (A) by striking “RESEARCH AND” in the
2 subsection heading;

3 (B) by striking “research and” in the mat-
4 ter preceding paragraph (1); and

5 (C) by inserting “, including assessment of
6 low-yield nuclear weapons development by other
7 nations that may pose a national security risk
8 to the United States” before the period at the
9 end of paragraph (3);

10 (5) by redesignating subsection (d) as sub-
11 section (e); and

12 (6) by inserting after subsection (e) the fol-
13 lowing new subsection (d):

14 “(d) EFFECT ON STUDIES AND DESIGN WORK.—
15 Nothing in this section shall prohibit the Secretary of En-
16 ergy from conducting, or providing for the conduct of, con-
17 cept definition studies, feasibility studies, or detailed engi-
18 neering design work.”.

19 **SEC. 3112. TERMINATION OF REQUIREMENT FOR ANNUAL**
20 **UPDATES OF LONG-TERM PLAN FOR NU-**
21 **CLEAR WEAPONS STOCKPILE LIFE EXTEN-**
22 **SION PROGRAM.**

23 Section 3133 of the National Defense Authorization
24 Act for Fiscal Year 2000 (42 U.S.C. 2121 note) is amend-
25 ed by adding at the end the following new subsection:

1 “(g) TERMINATION OF ANNUAL UPDATES.—Effec-
2 tive December 31, 2004, the requirements of subsections
3 (c), (d), (e), and (f) shall terminate.”.

4 **SEC. 3113. EXTENSION TO ALL DOE FACILITIES OF AU-**
5 **THORITY TO PROHIBIT DISSEMINATION OF**
6 **CERTAIN UNCLASSIFIED INFORMATION.**

7 Subsection a. of section 148 of the Atomic Energy
8 Act of 1954 (42 U.S.C. 2168) is amended in paragraph
9 (1)—

10 (1) in the matter preceding subparagraph (A),
11 by striking “, with respect to atomic energy defense
12 programs,”;

13 (2) in subparagraph (A), by striking “produc-
14 tion facilities or utilization facilities” and inserting
15 “production facilities, utilization facilities, nuclear
16 waste storage facilities, or uranium enrichment fa-
17 cilities, or any other facilities at which activities re-
18 lating to nuclear weapons or nuclear materials are
19 carried out, that are under the control or jurisdic-
20 tion of the Secretary of Energy”; and

21 (3) in subparagraph (B), by striking “produc-
22 tion or utilization facilities” and inserting “such fa-
23 cilities”.

1 **SEC. 3114. DEPARTMENT OF ENERGY PROJECT REVIEW**
2 **GROUPS NOT SUBJECT TO FEDERAL ADVI-**
3 **SORY COMMITTEE ACT BY REASON OF INCLU-**
4 **SION OF EMPLOYEES OF DEPARTMENT OF**
5 **ENERGY MANAGEMENT AND OPERATING**
6 **CONTRACTORS.**

7 An officer or employee of a management and oper-
8 ating contractor of the Department of Energy, when serv-
9 ing as a member of a group reviewing or advising on mat-
10 ters related to any one or more management and operating
11 contracts of the Department, shall be treated as an officer
12 or employee of the Department for purposes of deter-
13 mining whether the group is an advisory committee within
14 the meaning of section 3 of the Federal Advisory Com-
15 mittee Act (5 U.S.C. App.).

16 **SEC. 3115. AVAILABILITY OF FUNDS.**

17 Section 3628 of the Bob Stump National Defense
18 Authorization Act for Fiscal Year 2003 (Public Law 107–
19 314; 116 Stat. 2760; 42 U.S.C. 7386h) is amended to
20 read as follows:

21 **“SEC. 3628. AVAILABILITY OF FUNDS.**

22 “(a) IN GENERAL.—Except as provided in subsection
23 (b), amounts appropriated pursuant to a DOE national
24 security authorization for a fiscal year—

25 “(1) shall remain available to be expended only
26 in that fiscal year and the two succeeding fiscal

1 years, in the case of amounts for the National Nu-
2 clear Security Administration; and

3 “(2) may, when so specified in an appropria-
4 tions Act, remain available until expended, in all
5 other cases.

6 “(b) PROGRAM DIRECTION.—Amounts appropriated
7 pursuant to a DOE national security authorization for a
8 fiscal year for program direction shall remain available to
9 be obligated only until the end of that fiscal year.”.

10 **SEC. 3116. LIMITATION ON OBLIGATION OF FUNDS FOR NU-**
11 **CLEAR TEST READINESS PROGRAM.**

12 Not more than 40 percent of the funds made avail-
13 able to the Secretary of Energy for fiscal year 2004 for
14 the Nuclear Test Readiness program of the Department
15 of Energy may be obligated until—

16 (1) the Secretary of Energy submits to the
17 Committees on Armed Services of the Senate and
18 the House of Representatives the report required by
19 section 3142(c) of the Bob Stump National Defense
20 Authorization Act for Fiscal Year 2003 (Public Law
21 107–314; 116 Stat. 2733), relating to plans for
22 achieving enhanced readiness postures for resump-
23 tion by the United States of underground nuclear
24 weapons tests; and

1 (2) a period of 30 days has passed after the
2 date on which such report is received by those com-
3 mittees.

4 **SEC. 3117. REQUIREMENT FOR ON-SITE MANAGERS.**

5 (a) ON-SITE MANAGER REQUIREMENT.—Before obli-
6 gating any defense nuclear nonproliferation funds for a
7 project described in subsection (b), the Secretary of En-
8 ergy shall appoint a United States Federal Government
9 employee as an on-site manager.

10 (b) PROJECTS COVERED.—Subsection (a) applies to
11 a project—

12 (1) to be located in a state of the former Soviet
13 Union;

14 (2) which involves dismantlement, destruction,
15 or storage facilities, or construction of a facility; and

16 (3) with respect to which the total contribution
17 by the Department of Energy is expected to exceed
18 \$25,000,000.

19 (c) DUTIES OF ON-SITE MANAGER.—The on-site
20 manager appointed under subsection (a) shall—

21 (1) develop, in cooperation with representatives
22 from governments of countries participating in the
23 project, a list of those steps or activities critical to
24 achieving the project's disarmament or nonprolifera-
25 tion goals;

1 (2) establish a schedule for completing those
2 steps or activities;

3 (3) meet with all participants to seek assur-
4 ances that those steps or activities are being com-
5 pleted on schedule; and

6 (4) suspend United States participation in a
7 project when a non-United States participant fails to
8 complete a scheduled step or activity on time, unless
9 directed by the Secretary of Energy to resume
10 United States participation.

11 (d) STEPS OR ACTIVITIES.—Steps or activities re-
12 ferred to in subsection (c)(1) are those activities that, if
13 not completed, will prevent a project from achieving its
14 disarmament or nonproliferation goals, including, at a
15 minimum, the following:

16 (1) Identification and acquisition of permits (as
17 defined in subsection (f)).

18 (2) Verification that the items, substances, or
19 capabilities to be dismantled, secured, or otherwise
20 modified are available for dismantlement, securing,
21 or modification.

22 (3) Timely provision of financial, personnel,
23 management, transportation, and other resources.

24 (e) NOTIFICATION TO CONGRESS.—In any case in
25 which the Secretary of Energy directs an on-site manager

1 to resume United States participation in a project under
2 subsection (c)(4), the Secretary shall concurrently notify
3 Congress of such direction.

4 (f) PERMIT DEFINED.—In this section, the term
5 “permit” means any local or national permit for develop-
6 ment, general construction, environmental, land use, or
7 other purposes that is required in the state of the former
8 Soviet Union in which the project is being or is proposed
9 to be carried out.

10 (g) EFFECTIVE DATE.—This section shall take effect
11 six months after the date of the enactment of this Act.

12 **Subtitle C—Consolidation of**
13 **National Security Provisions**

14 **SEC. 3121. TRANSFER AND CONSOLIDATION OF RECURRING**
15 **AND GENERAL PROVISIONS ON DEPARTMENT**
16 **OF ENERGY NATIONAL SECURITY PROGRAMS.**

17 (a) PURPOSE.—

18 (1) IN GENERAL.—The purpose of this section
19 is to assemble together, without substantive amend-
20 ment but with technical and conforming amend-
21 ments of a non-substantive nature, recurring and
22 general provisions of law on Department of Energy
23 national security programs that remain in force in
24 order to consolidate and organize such provisions of

1 law into a single Act intended to comprise general
2 provisions of law on such programs.

3 (2) CONSTRUCTION OF TRANSFERS.—The
4 transfer of a provision of law by this section shall
5 not be construed as amending, altering, or otherwise
6 modifying the substantive effect of such provision.

7 (3) COORDINATION WITH OTHER AMEND-
8 MENTS.—For purposes of applying amendments
9 made by provisions of this Act other than provisions
10 of this section, this section shall be treated as having
11 been enacted immediately after the other provisions
12 of this Act.

13 (4) TREATMENT OF SATISFIED REQUIRE-
14 MENTS.—Any requirement in a provision of law
15 transferred under this section (including a require-
16 ment that an amendment to law be executed) that
17 has been fully satisfied in accordance with the terms
18 of such provision of law as of the date of transfer
19 under this section shall be treated as so fully satis-
20 fied, and shall not be treated as being revived solely
21 by reason of transfer under this section.

22 (5) CLASSIFICATION.—The provisions of the
23 Atomic Energy Defense Act, as amended by this sec-
24 tion, shall be classified to the United States Code as
25 a new chapter of title 50, United States Code.

1 (b) DIVISION HEADING.—The Bob Stump National
2 Defense Authorization Act for Fiscal Year 2003 (Public
3 Law 107–314) is amended by adding at the end the fol-
4 lowing new division heading:

5 **“DIVISION D—ATOMIC ENERGY**
6 **DEFENSE PROVISIONS”.**

7 (c) SHORT TITLE; DEFINITION.—

8 (1) SHORT TITLE.—Section 3601 of the Atomic
9 Energy Defense Act (title XXXVI of Public Law
10 107–314; 116 Stat. 2756) is—

11 (A) transferred to the end of the Bob
12 Stump National Defense Authorization Act for
13 Fiscal Year 2003;

14 (B) redesignated as section 4001;

15 (C) inserted after the heading for division
16 D of the Bob Stump National Defense Author-
17 ization Act for Fiscal Year 2003, as added by
18 subsection (b); and

19 (D) amended by striking “title” and in-
20 serting “division”.

21 (2) DEFINITION.—Division D of the Bob
22 Stump National Defense Authorization Act for Fis-
23 cal Year 2003, as amended by this section, is fur-
24 ther amended by adding at the end the following
25 new section:

1 **“SEC. 4002. DEFINITION.**

2 “In this division, the term ‘congressional defense
3 committees’ means—

4 “(1) the Committee on Armed Services and the
5 Committee on Appropriations of the Senate; and

6 “(2) the Committee on Armed Services and the
7 Committee on Appropriations of the House of Rep-
8 resentatives.”.

9 (d) ORGANIZATIONAL MATTERS.—

10 (1) TITLE HEADING.—Division D of the Bob
11 Stump National Defense Authorization Act for Fis-
12 cal Year 2003, as amended by this section, is fur-
13 ther amended by adding at the end the following:

14 **“TITLE XLI—ORGANIZATIONAL**
15 **MATTERS”.**

16 (2) NAVAL NUCLEAR PROPULSION PROGRAM.—
17 Section 1634 of the Department of Defense Author-
18 ization Act, 1985 (Public Law 98–525; 98 Stat.
19 2649) is—

20 (A) transferred to title XLI of division D
21 of the Bob Stump National Defense Authoriza-
22 tion Act for Fiscal Year 2003, as added by
23 paragraph (1);

24 (B) inserted after the title heading for
25 such title, as so added; and

26 (C) amended—

1 (i) by striking the section heading and
2 inserting the following new section head-
3 ing:

4 **“SEC. 4101. NAVAL NUCLEAR PROPULSION PROGRAM.”;**

5 and

6 (ii) by striking “SEC. 1634.”.

7 (3) MANAGEMENT STRUCTURE FOR FACILITIES
8 AND LABORATORIES.—Section 3140 of the National
9 Defense Authorization Act for Fiscal Year 1997
10 (Public Law 104–201; 110 Stat. 2833) is—

11 (A) transferred to title XLI of division D
12 of the Bob Stump National Defense Authoriza-
13 tion Act for Fiscal Year 2003, as amended by
14 this subsection;

15 (B) redesignated as section 4102;

16 (C) inserted after section 4101, as added
17 by paragraph (2); and

18 (D) amended in subsection (d)(2), by strik-
19 ing “120 days after the date of the enactment
20 of this Act,” and inserting “January 21,
21 1997,”.

22 (4) RESTRICTION ON LICENSING REQUIRE-
23 MENTS FOR CERTAIN ACTIVITIES AND FACILITIES.—
24 Section 210 of the Department of Energy National
25 Security and Military Applications of Nuclear En-

ergy Authorization Act of 1981 (Public Law 96–540; 94 Stat. 3202) is—

(A) transferred to title XLI of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection;

(B) inserted after section 4102, as added by paragraph (3); and

(C) amended—

(i) by striking the section heading and inserting the following new section heading:

“SEC. 4103. RESTRICTION ON LICENSING REQUIREMENT FOR CERTAIN DEFENSE ACTIVITIES AND FACILITIES.”;

(ii) by striking “SEC. 210.”; and

(iii) by striking “this or any other Act” and inserting “the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (Public Law 96–540) or any other Act”.

(e) NUCLEAR WEAPONS STOCKPILE MATTERS.—

(1) HEADINGS.—Division D of the Bob Stump National Defense Authorization Act for Fiscal Year

1 2003, as amended by this section, is further amend-
2 ed by adding at the end the following new headings:

3 **“TITLE XLII—NUCLEAR**
4 **WEAPONS STOCKPILE MATTERS**
5 **“Subtitle A—Stockpile Stewardship**
6 **and Weapons Production”.**

7 (2) STOCKPILE STEWARDSHIP PROGRAM.—Sec-
8 tion 3138 of the National Defense Authorization Act
9 for Fiscal Year 1994 (Public Law 103–160; 107
10 Stat. 1946), as amended by section 3152(e) of the
11 National Defense Authorization Act for Fiscal Year
12 1998 (Public Law 105–85; 111 Stat. 2042), is—

13 (A) transferred to title XLII of division D
14 of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003, as added by
16 paragraph (1);

17 (B) redesignated as section 4201; and

18 (C) inserted after the heading for subtitle
19 A of such title, as so added.

20 (3) STOCKPILE STEWARDSHIP CRITERIA.—Sec-
21 tion 3158 of the Strom Thurmond National Defense
22 Authorization Act for Fiscal Year 1999 (Public Law
23 105–261; 112 Stat. 2257), as amended, is—

24 (A) transferred to title XLII of division D
25 of the Bob Stump National Defense Authoriza-

1 tion Act for Fiscal Year 2003, as amended by
2 this subsection;

3 (B) redesignated as section 4202; and

4 (C) inserted after section 4201, as added
5 by paragraph (2).

6 (4) PLAN FOR STEWARDSHIP, MANAGEMENT,
7 AND CERTIFICATION OF WARHEADS IN STOCK-
8 PILE.—Section 3151 of the National Defense Au-
9 thorization Act for Fiscal Year 1998 (Public Law
10 105–85; 111 Stat. 2041) is—

11 (A) transferred to title XLII of division D
12 of the Bob Stump National Defense Authoriza-
13 tion Act for Fiscal Year 2003, as amended by
14 this subsection;

15 (B) redesignated as section 4203; and

16 (C) inserted after section 4202, as added
17 by paragraph (3).

18 (5) STOCKPILE LIFE EXTENSION PROGRAM.—
19 Section 3133 of the National Defense Authorization
20 Act for Fiscal Year 2000 (Public Law 106–65; 113
21 Stat. 926), as amended by section 3112, is—

22 (A) transferred to title XLII of division D
23 of the Bob Stump National Defense Authoriza-
24 tion Act for Fiscal Year 2003, as amended by
25 this subsection;

1 (B) redesignated as section 4204;

2 (C) inserted after section 4203, as added
3 by paragraph (4); and

4 (D) amended in subsection (c)(1) by strik-
5 ing “the date of the enactment of this Act” and
6 inserting “October 5, 1999”.

7 (6) ANNUAL ASSESSMENTS AND REPORTS ON
8 CONDITION OF STOCKPILE.—Section 3141 of the
9 Bob Stump National Defense Authorization Act for
10 Fiscal Year 2003 (Public Law 107–314; 116 Stat.
11 2730) is—

12 (A) transferred to title XLII of division D
13 of such Act, as amended by this subsection;

14 (B) redesignated as section 4205;

15 (C) inserted after section 4204, as added
16 by paragraph (5); and

17 (D) amended in subsection (d)(3)(B) by
18 striking “section 3137 of the National Defense
19 Authorization Act for Fiscal Year 1996 (42
20 U.S.C. 2121 note)” and inserting “section
21 4212”.

22 (7) FORM OF CERTAIN CERTIFICATIONS RE-
23 GARDING STOCKPILE.—Section 3194 of the Floyd D.
24 Spence National Defense Authorization Act for Fis-

1 cal Year 2001 (as enacted into law by Public Law
2 106–398; 114 Stat. 1654A–481) is—

3 (A) transferred to title XLII of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) redesignated as section 4206; and

8 (C) inserted after section 4205, as added
9 by paragraph (6).

10 (8) NUCLEAR TEST BAN READINESS PRO-
11 GRAM.—Section 1436 of the National Defense Au-
12 thorization Act, Fiscal Year 1989 (Public Law 100–
13 456; 102 Stat. 2075) is—

14 (A) transferred to title XLII of division D
15 of the Bob Stump National Defense Authoriza-
16 tion Act for Fiscal Year 2003, as amended by
17 this subsection;

18 (B) redesignated as section 4207;

19 (C) inserted after section 4206, as added
20 by paragraph (7); and

21 (D) amended in the section heading by
22 adding a period at the end.

23 (9) STUDY ON NUCLEAR TEST READINESS POS-
24 TURES.—Section 3152 of the National Defense Au-
25 thorization Act for Fiscal Year 1996 (Public Law

1 104–106; 110 Stat. 623), as amended by section
2 3192 of the Floyd D. Spence National Defense Au-
3 thorization Act for Fiscal Year 2001 (as enacted
4 into law by Public Law 106–398; 114 Stat. 1654A–
5 480), is—

6 (A) transferred to title XLII of division D
7 of the Bob Stump National Defense Authoriza-
8 tion Act for Fiscal Year 2003, as amended by
9 this subsection;

10 (B) redesignated as section 4208; and

11 (C) inserted after section 4207, as added
12 by paragraph (8).

13 (10) REQUIREMENTS FOR REQUESTS FOR NEW
14 OR MODIFIED NUCLEAR WEAPONS.—Section 3143 of
15 the Bob Stump National Defense Authorization Act
16 for Fiscal Year 2003 (Public Law 107–314; 116
17 Stat. 2733) is—

18 (A) transferred to title XLII of division D
19 of such Act, as amended by this subsection;

20 (B) redesignated as section 4209; and

21 (C) inserted after section 4208, as added
22 by paragraph (9).

23 (11) LIMITATION ON UNDERGROUND NUCLEAR
24 WEAPONS TESTS.—Subsection (f) of section 507 of
25 the Energy and Water Development Appropriations

1 Act, 1993 (Public Law 102–337; 106 Stat. 1345)
2 is—

3 (A) transferred to title XLII of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) inserted after section 4209, as added
8 by paragraph (10); and

9 (C) amended—

10 (i) by inserting before the text the fol-
11 lowing new section heading:

12 **“SEC. 4210. LIMITATION ON UNDERGROUND NUCLEAR**
13 **WEAPONS TESTS.”;**

14 and

15 (ii) by striking “(f)”.

16 (12) TESTING OF NUCLEAR WEAPONS.—Section
17 3137 of the National Defense Authorization Act for
18 Fiscal Year 1994 (Public Law 103–160; 107 Stat.
19 1946) is—

20 (A) transferred to title XLII of division D
21 of the Bob Stump National Defense Authoriza-
22 tion Act for Fiscal Year 2003, as amended by
23 this subsection;

24 (B) redesignated as section 4211;

1 (C) inserted after section 4210, as added
2 by paragraph (11); and

3 (D) amended—

4 (i) in subsection (a), by inserting “of
5 the National Defense Authorization Act for
6 Fiscal Year 1994 (Public Law 103–160)”
7 after “section 3101(a)(2)”; and

8 (ii) in subsection (b), by striking “this
9 Act” and inserting “the National Defense
10 Authorization Act for Fiscal Year 1994”.

11 (13) MANUFACTURING INFRASTRUCTURE FOR
12 STOCKPILE.—Section 3137 of the National Defense
13 Authorization Act for Fiscal Year 1996 (Public Law
14 104–106; 110 Stat. 620), as amended by section
15 3132 of the National Defense Authorization Act for
16 Fiscal Year 1997 (Public Law 104–201; 110 Stat.
17 2829), is—

18 (A) transferred to title XLII of division D
19 of the Bob Stump National Defense Authoriza-
20 tion Act for Fiscal Year 2003, as amended by
21 this subsection;

22 (B) redesignated as section 4212;

23 (C) inserted after section 4211, as added
24 by paragraph (12); and

1 (D) amended in subsection (d) by inserting
2 “of the National Defense Authorization Act for
3 Fiscal Year 1996 (Public Law 104–106)” after
4 “section 3101(b)”.

5 (14) REPORTS ON CRITICAL DIFFICULTIES AT
6 LABORATORIES AND PLANTS.—Section 3159 of the
7 National Defense Authorization Act for Fiscal Year
8 1997 (Public Law 104–201; 110 Stat. 2842), as
9 amended by section 1305 of the National Defense
10 Authorization Act for Fiscal Year 1998 (Public Law
11 105–85; 111 Stat. 1954) and section 3163 of the
12 National Defense Authorization Act for Fiscal Year
13 2000 (Public Law 106–65; 113 Stat. 944), is—

14 (A) transferred to title XLII of division D
15 of the Bob Stump National Defense Authoriza-
16 tion Act for Fiscal Year 2003, as amended by
17 this subsection;

18 (B) redesignated as section 4213; and

19 (C) inserted after section 4212, as added
20 by paragraph (13).

21 (15) SUBTITLE HEADING ON TRITIUM.—Title
22 XLII of division D of the Bob Stump National De-
23 fense Authorization Act for Fiscal Year 2003, as
24 amended by this subsection, is further amended by
25 adding at the end the following new subtitle heading:

“Subtitle B—Tritium”.

(16) TRITIUM PRODUCTION PROGRAM.—Section 3133 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 618) is—

(A) transferred to title XLII of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection;

(B) redesignated as section 4231;

(C) inserted after the heading for subtitle B of such title XLII, as added by paragraph (15); and

(D) amended—

(i) by striking “the date of the enactment of this Act” each place it appears and inserting “February 10, 1996”; and

(ii) in subsection (b), by inserting “of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106)” after “section 3101”.

(17) TRITIUM RECYCLING.—Section 3136 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 620) is—

1 (A) transferred to title XLII of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) redesignated as section 4232; and

6 (C) inserted after section 4231, as added
7 by paragraph (16).

8 (18) TRITIUM PRODUCTION.—Subsections (c)
9 and (d) of section 3133 of the National Defense Au-
10 thorization Act for Fiscal Year 1997 (Public Law
11 104–201; 110 Stat. 2830) are—

12 (A) transferred to title XLII of division D
13 of the Bob Stump National Defense Authoriza-
14 tion Act for Fiscal Year 2003, as amended by
15 this subsection;

16 (B) inserted after section 4232, as added
17 by paragraph (17); and

18 (C) amended—

19 (i) by inserting before the text the fol-
20 lowing new section heading:

21 **“SEC. 4233. TRITIUM PRODUCTION.”;**

22 (ii) by redesignating such subsections
23 as subsections (a) and (b), respectively;
24 and

1 (iii) in subsection (a), as so redesign-
2 nated, by inserting “of Energy” after “The
3 Secretary”.

4 (19) MODERNIZATION AND CONSOLIDATION OF
5 TRITIUM RECYCLING FACILITIES.—Section 3134 of
6 the National Defense Authorization Act for Fiscal
7 Year 1997 (Public Law 104–201; 110 Stat. 2830)
8 is—

9 (A) transferred to title XLII of division D
10 of the Bob Stump National Defense Authoriza-
11 tion Act for Fiscal Year 2003, as amended by
12 this subsection;

13 (B) redesignated as section 4234;

14 (C) inserted after section 4233, as added
15 by paragraph (18); and

16 (D) amended in subsection (b) by inserting
17 “of the National Defense Authorization Act for
18 Fiscal Year 1997 (Public Law 104–201)” after
19 “section 3101”.

20 (20) PROCEDURES FOR MEETING TRITIUM PRO-
21 Duction REQUIREMENTS.—Section 3134 of the Na-
22 tional Defense Authorization Act for Fiscal Year
23 2000 (Public Law 106–65; 113 Stat. 927) is—

24 (A) transferred to title XLII of division D
25 of the Bob Stump National Defense Authoriza-

tion Act for Fiscal Year 2003, as amended by
this subsection;

(B) redesignated as section 4235; and

(C) inserted after section 4234, as added
by paragraph (19).

(f) PROLIFERATION MATTERS.—

(1) TITLE HEADING.—Division D of the Bob
Stump National Defense Authorization Act for Fis-
cal Year 2003, as amended by this section, is fur-
ther amended by adding at the end the following
new title heading:

**“TITLE XLIII—PROLIFERATION
MATTERS”.**

(2) INTERNATIONAL COOPERATIVE STOCKPILE
STEWARDSHIP.—Section 3133 of the National De-
fense Authorization Act for Fiscal Year 1998 (Pub-
lic Law 105–85; 111 Stat. 2036), as amended by
sections 1069 and 3131 of the Strom Thurmond
National Defense Authorization Act for Fiscal Year
1999 (Public Law 105–261; 112 Stat. 2136, 2246),
is—

(A) transferred to title XLIII of division D
of the Bob Stump National Defense Authoriza-
tion Act for Fiscal Year 2003, as added by
paragraph (1);

1 (B) redesignated as section 4301;

2 (C) inserted after the heading for such
3 title, as so added; and

4 (D) amended in subsection (b)(3) by strik-
5 ing “of this Act” and inserting “of the National
6 Defense Authorization Act for Fiscal Year 1998
7 (Public Law 105–85)”.

8 (3) NONPROLIFERATION INITIATIVES AND AC-
9 TIVITIES.—Section 3136 of the National Defense
10 Authorization Act for Fiscal Year 2000 (Public Law
11 106–65; 113 Stat. 927) is—

12 (A) transferred to title XLIII of division D
13 of the Bob Stump National Defense Authoriza-
14 tion Act for Fiscal Year 2003, as amended by
15 this subsection;

16 (B) redesignated as section 4302;

17 (C) inserted after section 4301, as added
18 by paragraph (2); and

19 (D) amended in subsection (b)(1) by strik-
20 ing “this title” and inserting “title XXXI of the
21 National Defense Authorization Act for Fiscal
22 Year 2000 (Public Law 106–65)”.

23 (4) ANNUAL REPORT ON MATERIALS PROTEC-
24 TION, CONTROL, AND ACCOUNTING PROGRAM.—Sec-
25 tion 3171 of the Floyd D. Spence National Defense

1 Authorization Act for Fiscal Year 2001 (as enacted
2 into law by Public Law 106–398; 114 Stat. 1645A–
3 475) is—

4 (A) transferred to title XLIII of division D
5 of the Bob Stump National Defense Authoriza-
6 tion Act for Fiscal Year 2003, as amended by
7 this subsection;

8 (B) redesignated as section 4303;

9 (C) inserted after section 4302, as added
10 by paragraph (3); and

11 (D) amended in subsection (c)(1) by strik-
12 ing “this Act” and inserting “the Floyd D.
13 Spence National Defense Authorization Act for
14 Fiscal Year 2001 (as enacted into law by Public
15 Law 106–398)”.

16 (5) NUCLEAR CITIES INITIATIVE.—Section
17 3172 of the Floyd D. Spence National Defense Au-
18 thorization Act for Fiscal Year 2001 (as enacted
19 into law by Public Law 106–398; 114 Stat. 1645A–
20 476) is—

21 (A) transferred to title XLIII of division D
22 of the Bob Stump National Defense Authoriza-
23 tion Act for Fiscal Year 2003, as amended by
24 this subsection;

25 (B) redesignated as section 4304; and

1 (C) inserted after section 4303, as added
2 by paragraph (4).

3 (6) PROGRAMS ON FISSILE MATERIALS.—Sec-
4 tion 3131 of the National Defense Authorization Act
5 for Fiscal Year 1996 (Public Law 104–106; 110
6 Stat. 617), as amended by section 3152 of the Bob
7 Stump National Defense Authorization Act for Fis-
8 cal Year 2003 (Public Law 107–314; 116 Stat.
9 2738), is—

10 (A) transferred to title XLIII of division D
11 of the Bob Stump National Defense Authoriza-
12 tion Act for Fiscal Year 2003, as amended by
13 this subsection;

14 (B) redesignated as section 4305; and

15 (C) inserted after section 4304, as added
16 by paragraph (5).

17 (g) ENVIRONMENTAL RESTORATION AND WASTE
18 MANAGEMENT MATTERS.—

19 (1) HEADINGS.—Division D of the Bob Stump
20 National Defense Authorization Act for Fiscal Year
21 2003, as amended by this section, is further amend-
22 ed by adding at the end the following new headings:

1 **“TITLE XLIV—ENVIRONMENTAL**
 2 **RESTORATION AND WASTE**
 3 **MANAGEMENT MATTERS**
 4 **“Subtitle A—Environmental Res-**
 5 **toration and Waste Manage-**
 6 **ment”.**

7 (2) DEFENSE ENVIRONMENTAL RESTORATION
 8 AND WASTE MANAGEMENT ACCOUNT.—Section 3134
 9 of the National Defense Authorization Act for Fiscal
 10 Years 1992 and 1993 (Public Law 102–190; 105
 11 Stat. 1575) is—

12 (A) transferred to title XLIV of division D
 13 of the Bob Stump National Defense Authoriza-
 14 tion Act for Fiscal Year 2003, as added by
 15 paragraph (1);

16 (B) redesignated as section 4401; and

17 (C) inserted after the heading for subtitle
 18 A of such title, as so added.

19 (3) FUTURE USE PLANS FOR ENVIRONMENTAL
 20 MANAGEMENT PROGRAM.—Section 3153 of the Na-
 21 tional Defense Authorization Act for Fiscal Year
 22 1997 (Public Law 104–201; 110 Stat. 2839) is—

23 (A) transferred to title XLIV of division D
 24 of the Bob Stump National Defense Authoriza-

tion Act for Fiscal Year 2003, as amended by
this subsection;

(B) redesignated as section 4402;

(C) inserted after section 4401, as added
by paragraph (2); and

(D) amended—

(i) in subsection (d), by striking “the
date of the enactment of this Act” and in-
serting “September 23, 1996,”; and

(ii) in subsection (h)(1), by striking
“the date of the enactment of this Act”
and inserting “September 23, 1996”.

(4) INTEGRATED FISSILE MATERIALS MANAGE-
MENT PLAN.—Section 3172 of the National Defense
Authorization Act for Fiscal Year 2000 (Public Law
106–65; 113 Stat. 948) is—

(A) transferred to title XLIV of division D
of the Bob Stump National Defense Authoriza-
tion Act for Fiscal Year 2003, as amended by
this subsection;

(B) redesignated as section 4403; and

(C) inserted after section 4402, as added
by paragraph (3).

(5) BASELINE ENVIRONMENTAL MANAGEMENT
REPORTS.—Section 3153 of the National Defense

1 Authorization Act for Fiscal Year 1994 (Public Law
2 103–160; 107 Stat. 1950), as amended by section
3 3160 of the National Defense Authorization Act for
4 Fiscal Year 1995 (Public Law 103–337; 108 Stat.
5 3094), section 3152 of the National Defense Author-
6 ization Act for Fiscal Year 1997 (Public Law 104–
7 201; 110 Stat. 2839), and section 3160 of the Na-
8 tional Defense Authorization Act for Fiscal Year
9 1998 (Public Law 105–85; 111 Stat. 2048), is—

10 (A) transferred to title XLIV of division D
11 of the Bob Stump National Defense Authoriza-
12 tion Act for Fiscal Year 2003, as amended by
13 this subsection;

14 (B) redesignated as section 4404; and

15 (C) inserted after section 4403, as added
16 by paragraph (4).

17 (6) ACCELERATED SCHEDULE OF ENVIRON-
18 MENTAL RESTORATION AND WASTE MANAGEMENT.—

19 Section 3156 of the National Defense Authorization
20 Act for Fiscal Year 1996 (Public Law 104–106; 110
21 Stat. 625) is—

22 (A) transferred to title XLIV of division D
23 of the Bob Stump National Defense Authoriza-
24 tion Act for Fiscal Year 2003, as amended by
25 this subsection;

1 (B) redesignated as section 4405;

2 (C) inserted after section 4404, as added
3 by paragraph (5); and

4 (D) amended in subsection (b)(2) by in-
5 serting before the period the following: “, the
6 predecessor provision to section 4404 of this
7 Act”.

8 (7) DEFENSE WASTE CLEANUP TECHNOLOGY
9 PROGRAM.—Section 3141 of the National Defense
10 Authorization Act for Fiscal Years 1990 and 1991
11 (Public Law 101–189; 103 Stat. 1679) is—

12 (A) transferred to title XLIV of division D
13 of the Bob Stump National Defense Authoriza-
14 tion Act for Fiscal Year 2003, as amended by
15 this subsection;

16 (B) redesignated as section 4406;

17 (C) inserted after section 4405, as added
18 by paragraph (6); and

19 (D) amended in the section heading by
20 adding a period at the end.

21 (8) REPORT ON ENVIRONMENTAL RESTORATION
22 EXPENDITURES.—Section 3134 of the National De-
23 fense Authorization Act for Fiscal Year 1991 (Pub-
24 lic Law 101–510; 104 Stat. 1833) is—

1 (A) transferred to title XLIV of division D
2 of the Bob Stump National Defense Authoriza-
3 tion Act for Fiscal Year 2003, as amended by
4 this subsection;

5 (B) redesignated as section 4407;

6 (C) inserted after section 4406, as added
7 by paragraph (7); and

8 (D) amended in the section heading by
9 adding a period at the end.

10 (9) PUBLIC PARTICIPATION IN PLANNING FOR
11 ENVIRONMENTAL RESTORATION AND WASTE MAN-
12 AGEMENT.—Subsection (e) of section 3160 of the
13 National Defense Authorization Act for Fiscal Year
14 1995 (Public Law 103–337; 108 Stat. 3095) is—

15 (A) transferred to title XLIV of division D
16 of the Bob Stump National Defense Authoriza-
17 tion Act for Fiscal Year 2003, as amended by
18 this subsection;

19 (B) inserted after section 4407, as added
20 by paragraph (8); and

21 (C) amended—

22 (i) by inserting before the text the fol-
23 lowing new section heading:

1 “SEC. 4408. PUBLIC PARTICIPATION IN PLANNING FOR EN-
 2 VIRONMENTAL RESTORATION AND WASTE
 3 MANAGEMENT AT DEFENSE NUCLEAR FA-
 4 CILITIES.”;

5 and

6 (ii) by striking “(e) PUBLIC PARTICI-
 7 PATION IN PLANNING.—”.

8 (10) SUBTITLE HEADING ON CLOSURE OF FA-
 9 CILITIES.—Title XLIV of division D of the Bob
 10 Stump National Defense Authorization Act for Fis-
 11 cal Year 2003, as amended by this subsection, is
 12 further amended by adding at the end the following
 13 new subtitle heading:

14 **“Subtitle B—Closure of Facilities”.**

15 (11) PROJECTS TO ACCELERATE CLOSURE AC-
 16 TIVITIES AT DEFENSE NUCLEAR FACILITIES.—Sec-
 17 tion 3143 of the National Defense Authorization Act
 18 for Fiscal Year 1997 (Public Law 104–201; 110
 19 Stat. 2836) is—

20 (A) transferred to title XLIV of division D
 21 of the Bob Stump National Defense Authoriza-
 22 tion Act for Fiscal Year 2003, as amended by
 23 this subsection;

24 (B) redesignated as section 4421;

1 (C) inserted after the heading for subtitle
2 B of such title, as added by paragraph (10);
3 and

4 (D) amended in subsection (i), by striking
5 “the expiration of the 15-year period beginning
6 on the date of the enactment of this Act” and
7 inserting “September 23, 2011”.

8 (12) REPORTS IN CONNECTION WITH PERMA-
9 NENT CLOSURE OF DEFENSE NUCLEAR FACILI-
10 TIES.—Section 3156 of the National Defense Au-
11 thorization Act for Fiscal Years 1990 and 1991
12 (Public Law 101–189; 103 Stat. 1683) is—

13 (A) transferred to title XLIV of division D
14 of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003, as amended by
16 this subsection;

17 (B) redesignated as section 4422;

18 (C) inserted after section 4421, as added
19 by paragraph (11); and

20 (D) amended in the section heading by
21 adding a period at the end.

22 (13) SUBTITLE HEADING ON PRIVATIZATION.—
23 Title XLIV of division D of the Bob Stump National
24 Defense Authorization Act for Fiscal Year 2003, as

1 amended by this subsection, is further amended by
2 adding at the end the following new subtitle heading:

3 **“Subtitle C—Privatization”.**

4 (14) DEFENSE ENVIRONMENTAL MANAGEMENT
5 PRIVATIZATION PROJECTS.—Section 3132 of the Na-
6 tional Defense Authorization Act for Fiscal Year
7 1998 (Public Law 105–85; 111 Stat. 2034) is—

8 (A) transferred to title XLIV of division D
9 of the Bob Stump National Defense Authoriza-
10 tion Act for Fiscal Year 2003, as amended by
11 this subsection;

12 (B) redesignated as section 4431;

13 (C) inserted after the heading for subtitle
14 C of such title, as added by paragraph (13);
15 and

16 (D) amended—

17 (i) in subsections (a), (c)(1)(B)(i),
18 and (d), by inserting “of the National De-
19 fense Authorization Act for Fiscal Year
20 1998 (Public Law 105–85)” after “section
21 3102(i)”; and

22 (ii) in subsections (c)(1)(B)(ii) and
23 (f), by striking “the date of enactment of
24 this Act” and inserting “November 18,
25 1997”.

1 (h) SAFEGUARDS AND SECURITY MATTERS.—

2 (1) HEADINGS.—Division D of the Bob Stump
3 National Defense Authorization Act for Fiscal Year
4 2003, as amended by this section, is further amend-
5 ed by adding at the end the following new headings:

6 **“TITLE XLV—SAFEGUARDS AND**
7 **SECURITY MATTERS**
8 **“Subtitle A—Safeguards and**
9 **Security”.**

10 (2) PROHIBITION ON INTERNATIONAL INSPEC-
11 TIONS OF FACILITIES WITHOUT PROTECTION OF RE-
12 STRICTED DATA.—Section 3154 of the National De-
13 fense Authorization Act for Fiscal Year 1996 (Pub-
14 lic Law 104–106; 110 Stat. 624) is—

15 (A) transferred to title XLV of division D
16 of the Bob Stump National Defense Authoriza-
17 tion Act for Fiscal Year 2003, as added by
18 paragraph (1);

19 (B) redesignated as section 4501;

20 (C) inserted after the heading for subtitle
21 A of such title, as so added; and

22 (D) amended—

23 (i) by striking “(1) The” and insert-
24 ing “The”; and

1 (ii) by striking “(2) For purposes of
2 paragraph (1),” and inserting “(c) RE-
3 STRICTED DATA DEFINED.—In this sec-
4 tion,”.

5 (3) RESTRICTIONS ON ACCESS TO LABORA-
6 TORIES BY FOREIGN VISITORS FROM SENSITIVE
7 COUNTRIES.—Section 3146 of the National Defense
8 Authorization Act for Fiscal Year 2000 (Public Law
9 106–65; 113 Stat. 935) is—

10 (A) transferred to title XLV of division D
11 of the Bob Stump National Defense Authoriza-
12 tion Act for Fiscal Year 2003, as amended by
13 this subsection;

14 (B) redesignated as section 4502;

15 (C) inserted after section 4501, as added
16 by paragraph (2); and

17 (D) amended—

18 (i) in subsection (b)(2)—

19 (I) in the matter preceding sub-
20 paragraph (A), by striking “30 days
21 after the date of the enactment of this
22 Act” and inserting “on November 4,
23 1999,”; and

24 (II) in subparagraph (A), by
25 striking “The date that is 90 days

1 after the date of the enactment of this
2 Act” and inserting “January 3,
3 2000”;

4 (ii) in subsection (d)(1), by striking
5 “the date of the enactment of this Act,”
6 and inserting “October 5, 1999,”; and

7 (iii) in subsection (g), by adding at
8 the end the following new paragraphs:

9 “(3) The term ‘national laboratory’ means any
10 of the following:

11 “(A) Lawrence Livermore National Lab-
12 oratory, Livermore, California.

13 “(B) Los Alamos National Laboratory,
14 Los Alamos, New Mexico.

15 “(C) Sandia National Laboratories, Albu-
16 querque, New Mexico and Livermore, Cali-
17 fornia.

18 “(4) The term ‘Restricted Data’ has the mean-
19 ing given that term in section 11 y. of the Atomic
20 Energy Act of 1954 (42 U.S.C. 2014(y)).”.

21 (4) BACKGROUND INVESTIGATIONS ON CERTAIN
22 PERSONNEL.—Section 3143 of the National Defense
23 Authorization Act for Fiscal Year 2000 (Public Law
24 106–65; 113 Stat. 934) is—

1 (A) transferred to title XLV of division D
 2 of the Bob Stump National Defense Authoriza-
 3 tion Act for Fiscal Year 2003, as amended by
 4 this subsection;

5 (B) redesignated as section 4503;

6 (C) inserted after section 4502, as added
 7 by paragraph (3); and

8 (D) amended—

9 (i) in subsection (b), by striking “the
 10 date of the enactment of this Act” and in-
 11 serting “October 5, 1999,”; and

12 (ii) by adding at the end the following
 13 new subsection:

14 “(c) DEFINITIONS.—In this section, the terms ‘na-
 15 tional laboratory’ and ‘Restricted Data’ have the meanings
 16 given such terms in section 4502(g).”.

17 (5) COUNTERINTELLIGENCE POLYGRAPH PRO-
 18 GRAM.—

19 (A) DEPARTMENT OF ENERGY COUNTER-
 20 INTELLIGENCE POLYGRAPH PROGRAM.—Section
 21 3152 of the National Defense Authorization Act
 22 for Fiscal Year 2002 (Public Law 107–107;
 23 115 Stat. 1376) is—

24 (i) transferred to title XLV of division
 25 D of the Bob Stump National Defense Au-

1 thorization Act for Fiscal Year 2003, as
2 amended by this subsection;

3 (ii) redesignated as section 4504;

4 (iii) inserted after section 4503, as
5 added by paragraph (4); and

6 (iv) amended in subsection (c) by
7 striking “section 3154 of the Department
8 of Energy Facilities Safeguards, Security,
9 and Counterintelligence Enhancement Act
10 of 1999 (subtitle D of title XXXI of Public
11 Law 106–65; 42 U.S.C. 7383h)” and in-
12 serting “section 4504A”.

13 (B) COUNTERINTELLIGENCE POLYGRAPH
14 PROGRAM.—Section 3154 of the National De-
15 fense Authorization Act for Fiscal Year 2000
16 (Public Law 106–65; 113 Stat. 941), as
17 amended by section 3135 of the Floyd D.
18 Spence National Defense Authorization Act for
19 Fiscal Year 2001 (as enacted into law by Public
20 Law 106–398; 114 Stat. 1654A–456), is—

21 (i) transferred to title XLV of division
22 D of the Bob Stump National Defense Au-
23 thorization Act for Fiscal Year 2003, as
24 amended by this subsection;

25 (ii) redesignated as section 4504A;

1 (iii) inserted after section 4504, as
2 added by subparagraph (A); and
3 (iv) amended in subsection (h) by
4 striking “180 days after the date of the
5 enactment of this Act,” and inserting
6 “April 5, 2000,”.

7 (6) NOTICE OF SECURITY AND COUNTERINTEL-
8 LIGENCE FAILURES.—Section 3150 of the National
9 Defense Authorization Act for Fiscal Year 2000
10 (Public Law 106–65; 113 Stat. 939) is—

11 (A) transferred to title XLV of division D
12 of the Bob Stump National Defense Authoriza-
13 tion Act for Fiscal Year 2003, as amended by
14 this subsection;

15 (B) redesignated as section 4505; and

16 (C) inserted after section 4504A, as added
17 by paragraph (5)(B).

18 (7) ANNUAL REPORT ON SECURITY FUNCTIONS
19 AT NUCLEAR WEAPONS FACILITIES.—Section 3162
20 of the National Defense Authorization Act for Fiscal
21 Year 1998 (Public Law 105–85; 111 Stat. 2049)
22 is—

23 (A) transferred to title XLV of division D
24 of the Bob Stump National Defense Authoriza-

tion Act for Fiscal Year 2003, as amended by
this subsection;

(B) redesignated as section 4506;

(C) inserted after section 4505, as added
by paragraph (6); and

(D) amended in subsection (b) by inserting
“of the National Defense Authorization Act for
Fiscal Year 1998 (Public Law 105–85; 111
Stat. 2048; 42 U.S.C. 7251 note)” after “sec-
tion 3161”.

(8) REPORT ON COUNTERINTELLIGENCE AND
SECURITY PRACTICES AT LABORATORIES.—Section
3152 of the National Defense Authorization Act for
Fiscal Year 2000 (Public Law 106–65; 113 Stat.
940) is—

(A) transferred to title XLV of division D
of the Bob Stump National Defense Authoriza-
tion Act for Fiscal Year 2003, as amended by
this subsection;

(B) redesignated as section 4507;

(C) inserted after section 4506, as added
by paragraph (7); and

(D) amended by adding at the end the fol-
lowing new subsection:

1 “(c) NATIONAL LABORATORY DEFINED.—In this
2 section, the term ‘national laboratory’ has the meaning
3 given that term in section 4502(g)(3).”.

4 (9) REPORT ON SECURITY VULNERABILITIES
5 OF NATIONAL LABORATORY COMPUTERS.—Section
6 3153 of the National Defense Authorization Act for
7 Fiscal Year 2000 (Public Law 106–65; 113 Stat.
8 940) is—

9 (A) transferred to title XLV of division D
10 of the Bob Stump National Defense Authoriza-
11 tion Act for Fiscal Year 2003, as amended by
12 this subsection;

13 (B) redesignated as section 4508;

14 (C) inserted after section 4507, as added
15 by paragraph (8); and

16 (D) amended by adding at the end the fol-
17 lowing new subsection:

18 “(f) NATIONAL LABORATORY DEFINED.—In this sec-
19 tion, the term ‘national laboratory’ has the meaning given
20 that term in section 4502(g)(3).”.

21 (10) SUBTITLE HEADING ON CLASSIFIED IN-
22 FORMATION.—Title XLV of division D of the Bob
23 Stump National Defense Authorization Act for Fis-
24 cal Year 2003, as amended by this subsection, is

1 further amended by adding at the end the following
2 new subtitle heading:

3 **“Subtitle B—Classified**
4 **Information”.**

5 (11) REVIEW OF CERTAIN DOCUMENTS BEFORE
6 DECLASSIFICATION AND RELEASE.—Section 3155 of
7 the National Defense Authorization Act for Fiscal
8 Year 1996 (Public Law 104–106; 110 Stat. 625)
9 is—

10 (A) transferred to title XLV of division D
11 of the Bob Stump National Defense Authoriza-
12 tion Act for Fiscal Year 2003, as amended by
13 this subsection;

14 (B) redesignated as section 4521; and

15 (C) inserted after the heading for subtitle
16 B of such title, as added by paragraph (10).

17 (12) PROTECTION AGAINST INADVERTENT RE-
18 LEASE OF RESTRICTED DATA AND FORMERLY RE-
19 STRICTED DATA.—Section 3161 of the Strom Thur-
20 mond National Defense Authorization Act for Fiscal
21 Year 1999 (Public Law 105–261; 112 Stat. 2259),
22 as amended by section 1067(3) of the National De-
23 fense Authorization Act for Fiscal Year 2000 (Pub-
24 lic Law 106–65; 113 Stat. 774) and section 3193 of
25 the Floyd D. Spence National Defense Authorization

1 Act for Fiscal Year 2001 (as enacted into law by
2 Public Law 106–398; 114 Stat. 1654A–480), is—

3 (A) transferred to title XLV of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) redesignated as section 4522;

8 (C) inserted after section 4521, as added
9 by paragraph (11); and

10 (D) amended—

11 (i) in subsection (c)(1), by striking
12 “the date of the enactment of this Act”
13 and inserting “October 17, 1998,”;

14 (ii) in subsection (f)(1), by striking
15 “the date of the enactment of this Act”
16 and inserting “October 17, 1998”; and

17 (iii) in subsection (f)(2), by striking
18 “The Secretary” and inserting “Com-
19 mencing with inadvertent releases discov-
20 ered on or after October 30, 2000, the
21 Secretary”.

22 (13) SUPPLEMENT TO PLAN FOR DECLAS-
23 SIFICATION OF RESTRICTED DATA AND FORMERLY
24 RESTRICTED DATA.—Section 3149 of the National

1 Defense Authorization Act for Fiscal Year 2000
2 (Public Law 106–65; 113 Stat. 938) is—

3 (A) transferred to title XLV of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) redesignated as section 4523;

8 (C) inserted after section 4522, as added
9 by paragraph (12); and

10 (D) amended—

11 (i) in subsection (a), by striking “sub-
12 section (a) of section 3161 of the Strom
13 Thurmond National Defense Authorization
14 Act for Fiscal Year 1999 (Public Law
15 105–261; 112 Stat. 2260; 50 U.S.C. 435
16 note)” and inserting “subsection (a) of sec-
17 tion 4522”;

18 (ii) in subsection (b)—

19 (I) by striking “section
20 3161(b)(1) of that Act” and inserting
21 “subsection (b)(1) of section 4522”;
22 and

23 (II) by striking “the date of the
24 enactment of that Act” and inserting
25 “October 17, 1998,”;

1 (iii) in subsection (c)—

2 (I) by striking “section 3161(c)
3 of that Act” and inserting “subsection
4 (c) of section 4522”; and

5 (II) by striking “section 3161(a)
6 of that Act” and inserting “subsection
7 (a) of such section”; and

8 (iv) in subsection (d), by striking
9 “section 3161(d) of that Act” and insert-
10 ing “subsection (d) of section 4522”.

11 (14) PROTECTION OF CLASSIFIED INFORMA-
12 TION DURING LABORATORY-TO-LABORATORY EX-
13 CHANGES.—Section 3145 of the National Defense
14 Authorization Act for Fiscal Year 2000 (Public Law
15 106–65; 113 Stat. 935) is—

16 (A) transferred to title XLV of division D
17 of the Bob Stump National Defense Authoriza-
18 tion Act for Fiscal Year 2003, as amended by
19 this subsection;

20 (B) redesignated as section 4524; and

21 (C) inserted after section 4523, as added
22 by paragraph (13).

23 (15) IDENTIFICATION IN BUDGETS OF AMOUNT
24 FOR DECLASSIFICATION ACTIVITIES.—Section 3173

1 of the National Defense Authorization Act for Fiscal
2 Year 2000 (Public Law 106–65; 113 Stat. 949) is—

3 (A) transferred to title XLV of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) redesignated as section 4525;

8 (C) inserted after section 4524, as added
9 by paragraph (14); and

10 (D) amended in subsection (b) by striking
11 “the date of the enactment of this Act” and in-
12 serting “October 5, 1999,”.

13 (16) SUBTITLE HEADING ON EMERGENCY RE-
14 SPONSE.—Title XLV of division D of the Bob
15 Stump National Defense Authorization Act for Fis-
16 cal Year 2003, as amended by this subsection, is
17 further amended by adding at the end the following
18 new subtitle heading:

19 **“Subtitle C—Emergency Response”.**

20 (17) RESPONSIBILITY FOR DEFENSE PROGRAMS
21 EMERGENCY RESPONSE PROGRAM.—Section 3158 of
22 the National Defense Authorization Act for Fiscal
23 Year 1996 (Public Law 104–106; 110 Stat. 626)
24 is—

(A) transferred to title XLV of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection;

(B) redesignated as section 4541; and

(C) inserted after the heading for subtitle C of such title, as added by paragraph (16).

(i) PERSONNEL MATTERS.—

(1) HEADINGS.—Division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this section, is further amended by adding at the end the following new headings:

**“TITLE XLVI—PERSONNEL
MATTERS**

**“Subtitle A—Personnel
Management”.**

(2) AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.—Section 3161 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3095), as amended by section 3139 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2040), sections 3152 and 3155 of the Strom Thurmond National Defense Authorization Act for Fiscal

1 Year 1999 (Public Law 105–261; 112 Stat. 2253,
2 2257), and section 3191 of the Floyd D. Spence Na-
3 tional Defense Authorization Act for Fiscal Year
4 2001 (as enacted into law by Public Law 106–398;
5 114 Stat. 1654A–480), is—

6 (A) transferred to title XLVI of division D
7 of the Bob Stump National Defense Authoriza-
8 tion Act for Fiscal Year 2003, as added by
9 paragraph (1);

10 (B) redesignated as section 4601; and

11 (C) inserted after the heading for subtitle
12 A of such title, as so added.

13 (3) WHISTLEBLOWER PROTECTION PROGRAM.—
14 Section 3164 of the National Defense Authorization
15 Act for Fiscal Year 2000 (Public Law 106–65; 113
16 Stat. 946) is—

17 (A) transferred to title XLVI of division D
18 of the Bob Stump National Defense Authoriza-
19 tion Act for Fiscal Year 2003, as amended by
20 this subsection;

21 (B) redesignated as section 4602;

22 (C) inserted after section 4601, as added
23 by paragraph (2); and

1 (D) amended in subsection (n) by striking
2 “60 days after the date of the enactment of this
3 Act,” and inserting “December 5, 1999,”.

4 (4) EMPLOYEE INCENTIVES FOR WORKERS AT
5 CLOSURE PROJECT FACILITIES.—Section 3136 of
6 the Floyd D. Spence National Defense Authorization
7 Act for Fiscal Year 2001 (as enacted into law by
8 Public Law 106–398; 114 Stat. 1654A–458) is—

9 (A) transferred to title XLVI of division D
10 of the Bob Stump National Defense Authoriza-
11 tion Act for Fiscal Year 2003, as amended by
12 this subsection;

13 (B) redesignated as section 4603;

14 (C) inserted after section 4602, as added
15 by paragraph (3); and

16 (D) amended—

17 (i) in subsections (c) and (i)(1)(A), by
18 striking “section 3143 of the National De-
19 fense Authorization Act for Fiscal Year
20 1997 (42 U.S.C. 7274n)” and inserting
21 “section 4421”; and

22 (ii) in subsection (g), by striking “sec-
23 tion 3143(h) of the National Defense Au-
24 thorization Act for Fiscal Year 1997” and
25 inserting “section 4421(h)”.

1 (5) DEFENSE NUCLEAR FACILITY WORKFORCE
2 RESTRUCTURING PLAN.—Section 3161 of the Na-
3 tional Defense Authorization Act for Fiscal Year
4 1993 (Public Law 102–484; 106 Stat. 2644), as
5 amended by section 1070(c)(2) of the National De-
6 fense Authorization Act for Fiscal Year 1995 (Pub-
7 lic Law 103–337; 108 Stat. 2857), Public Law 105–
8 277 (112 Stat. 2681–419, 2681–430), and section
9 1048(h)(1) of the National Defense Authorization
10 Act for Fiscal Year 2002 (Public Law 107–107; 115
11 Stat. 1229), is—

12 (A) transferred to title XLVI of division D
13 of the Bob Stump National Defense Authoriza-
14 tion Act for Fiscal Year 2003, as amended by
15 this subsection;

16 (B) redesignated as section 4604;

17 (C) inserted after section 4603, as added
18 by paragraph (4); and

19 (D) amended—

20 (i) in subsection (a), by striking
21 “(hereinafter in this subtitle referred to as
22 the ‘Secretary’)”; and

23 (ii) by adding at the end the following
24 new subsection:

1 “(g) DEPARTMENT OF ENERGY DEFENSE NUCLEAR
2 FACILITY DEFINED.—In this section, the term ‘Depart-
3 ment of Energy defense nuclear facility’ means—

4 “(1) a production facility or utilization facility
5 (as those terms are defined in section 11 of the
6 Atomic Energy Act of 1954 (42 U.S.C. 2014)) that
7 is under the control or jurisdiction of the Secretary
8 and that is operated for national security purposes
9 (including the tritium loading facility at Savannah
10 River, South Carolina, the 236 H facility at Savan-
11 nah River, South Carolina; and the Mound Labora-
12 tory, Ohio), but the term does not include any facil-
13 ity that does not conduct atomic energy defense ac-
14 tivities and does not include any facility or activity
15 covered by Executive Order Number 12344, dated
16 February 1, 1982, pertaining to the naval nuclear
17 propulsion program;

18 “(2) a nuclear waste storage or disposal facility
19 that is under the control or jurisdiction of the Sec-
20 retary;

21 “(3) a testing and assembly facility that is
22 under the control or jurisdiction of the Secretary
23 and that is operated for national security purposes
24 (including the Nevada Test Site, Nevada; the

1 Pinnellas Plant, Florida; and the Pantex facility,
2 Texas);

3 “(4) an atomic weapons research facility that is
4 under the control or jurisdiction of the Secretary
5 (including Lawrence Livermore, Los Alamos, and
6 Sandia National Laboratories); or

7 “(5) any facility described in paragraphs (1)
8 through (4) that—

9 “(A) is no longer in operation;

10 “(B) was under the control or jurisdiction
11 of the Department of Defense, the Atomic En-
12 ergy Commission, or the Energy Research and
13 Development Administration; and

14 “(C) was operated for national security
15 purposes.”.

16 (6) AUTHORITY TO PROVIDE CERTIFICATE OF
17 COMMENDATION TO EMPLOYEES.—Section 3195 of
18 the Floyd D. Spence National Defense Authorization
19 Act for Fiscal Year 2001 (as enacted into law by
20 Public Law 106–398; 114 Stat. 1654A–481) is—

21 (A) transferred to title XLVI of division D
22 of the Bob Stump National Defense Authoriza-
23 tion Act for Fiscal Year 2003, as amended by
24 this subsection;

25 (B) redesignated as section 4605; and

1 (C) inserted after section 4604, as added
2 by paragraph (5).

3 (7) SUBTITLE HEADING ON TRAINING AND
4 EDUCATION.—Title XLVI of division D of the Bob
5 Stump National Defense Authorization Act for Fis-
6 cal Year 2003, as amended by this subsection, is
7 further amended by adding at the end the following
8 new subtitle heading:

9 **“Subtitle B—Education and**
10 **Training”.**

11 (8) EXECUTIVE MANAGEMENT TRAINING.—Sec-
12 tion 3142 of the National Defense Authorization Act
13 for Fiscal Years 1990 and 1991 (Public Law 101–
14 189; 103 Stat. 1680) is—

15 (A) transferred to title XLVI of division D
16 of the Bob Stump National Defense Authoriza-
17 tion Act for Fiscal Year 2003, as amended by
18 this subsection;

19 (B) redesignated as section 4621;

20 (C) inserted after the heading for subtitle
21 B of such title, as added by paragraph (7); and

22 (D) amended in the section heading by
23 adding a period at the end.

24 (9) STOCKPILE STEWARDSHIP RECRUITMENT
25 AND TRAINING PROGRAM.—Section 3131 of the Na-

1 tional Defense Authorization Act for Fiscal Year
2 1995 (Public Law 103–337; 108 Stat. 3085) is—

3 (A) transferred to title XLVI of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as amended by
6 this subsection;

7 (B) redesignated as section 4622;

8 (C) inserted after section 4621, as added
9 by paragraph (8); and

10 (D) amended—

11 (i) in subsection (a)(1), by striking
12 “section 3138 of the National Defense Au-
13 thorization Act for Fiscal Year 1994 (Pub-
14 lic Law 103–160; 107 Stat. 1946; 42
15 U.S.C. 2121 note)” and inserting “section
16 4201”; and

17 (ii) in subsection (b)(2), by inserting
18 “of the National Defense Authorization
19 Act for Fiscal Year 1995 (Public Law
20 103–337)” after “section 3101(a)(1)”.

21 (10) FELLOWSHIP PROGRAM FOR DEVELOP-
22 MENT OF SKILLS CRITICAL TO NUCLEAR WEAPONS
23 COMPLEX.—Section 3140 of the National Defense
24 Authorization Act for Fiscal Year 1996 (Public Law
25 104–106; 110 Stat 621), as amended by section

1 3162 of the National Defense Authorization Act for
2 Fiscal Year 2000 (Public Law 106–65; 113 Stat.
3 943), is—

4 (A) transferred to title XLVI of division D
5 of the Bob Stump National Defense Authoriza-
6 tion Act for Fiscal Year 2003, as amended by
7 this subsection;

8 (B) redesignated as section 4623; and

9 (C) inserted after section 4622, as added
10 by paragraph (9).

11 (11) SUBTITLE HEADING ON WORKER SAFE-
12 TY.—Title XLVI of division D of the Bob Stump
13 National Defense Authorization Act for Fiscal Year
14 2003, as amended by this subsection, is further
15 amended by adding at the end the following new
16 subtitle heading:

17 **“Subtitle C—Worker Safety”.**

18 (12) WORKER PROTECTION AT NUCLEAR WEAP-
19 ONS FACILITIES.—Section 3131 of the National De-
20 fense Authorization Act for Fiscal Years 1992 and
21 1993 (Public Law 102–190; 105 Stat. 1571) is—

22 (A) transferred to title XLVI of division D
23 of the Bob Stump National Defense Authoriza-
24 tion Act for Fiscal Year 2003, as amended by
25 this subsection;

1 (B) redesignated as section 4641;

2 (C) inserted after the heading for subtitle
3 C of such title, as added by paragraph (11);
4 and

5 (D) amended in subsection (e) by inserting
6 “of the National Defense Authorization Act for
7 Fiscal Years 1992 and 1993 (Public Law 102–
8 190)” after “section 3101(9)(A)”.

9 (13) SAFETY OVERSIGHT AND ENFORCEMENT
10 AT DEFENSE NUCLEAR FACILITIES.—Section 3163
11 of the National Defense Authorization Act for Fiscal
12 Year 1995 (Public Law 103–337; 108 Stat. 3097)
13 is—

14 (A) transferred to title XLVI of division D
15 of the Bob Stump National Defense Authoriza-
16 tion Act for Fiscal Year 2003, as amended by
17 this subsection;

18 (B) redesignated as section 4642;

19 (C) inserted after section 4641, as added
20 by paragraph (12); and

21 (D) amended in subsection (b) by striking
22 “90 days after the date of the enactment of this
23 Act,” and inserting “January 5, 1995,”.

24 (14) PROGRAM TO MONITOR WORKERS AT DE-
25 FENSE NUCLEAR FACILITIES EXPOSED TO HAZ-

1 ARDOUS OR RADIOACTIVE SUBSTANCES.—Section
2 3162 of the National Defense Authorization Act for
3 Fiscal Year 1993 (Public Law 102–484; 106 Stat.
4 2646) is—

5 (A) transferred to title XLVI of division D
6 of the Bob Stump National Defense Authoriza-
7 tion Act for Fiscal Year 2003, as amended by
8 this subsection;

9 (B) redesignated as section 4643;

10 (C) inserted after section 4642, as added
11 by paragraph (13); and

12 (D) amended—

13 (i) in subsection (b)(6), by striking “1
14 year after the date of the enactment of this
15 Act” and inserting “October 23, 1993”;

16 (ii) in subsection (c), by striking “180
17 days after the date of the enactment of
18 this Act,” and inserting “April 23, 1993,”;
19 and

20 (iii) by adding at the end the fol-
21 lowing new subsection:

22 “(d) DEFINITIONS.—In this section:

23 “(1) The term ‘Department of Energy defense
24 nuclear facility’ has the meaning given that term in
25 section 4604(g).

1 “(2) The term ‘Department of Energy em-
 2 ployee’ means any employee of the Department of
 3 Energy employed at a Department of Energy de-
 4 fense nuclear facility, including any employee of a
 5 contractor or subcontractor of the Department of
 6 Energy employed at such a facility.”.

7 (j) BUDGET AND FINANCIAL MANAGEMENT MAT-
 8 TERS.—

9 (1) HEADINGS.—Division D of the Bob Stump
 10 National Defense Authorization Act for Fiscal Year
 11 2003, as amended by this section, is further amend-
 12 ed by adding at the end the following new headings:

13 **“TITLE XLVII—BUDGET AND FI-**
 14 **NANCIAL MANAGEMENT MAT-**
 15 **TERS**

16 **“Subtitle A—Recurring National**
 17 **Security Authorization Provisions”.**

18 (2) RECURRING NATIONAL SECURITY AUTHOR-
 19 IZATION PROVISIONS.—Sections 3620 through 3631
 20 of the Bob Stump National Defense Authorization
 21 Act for Fiscal Year 2003 (Public Law 107–314; 116
 22 Stat. 2756) are—

23 (A) transferred to title XLVII of division
 24 D of such Act, as added by paragraph (1);

1 (B) redesignated as sections 4701 through
2 4712, respectively;

3 (C) inserted after the heading for subtitle
4 A of such title, as so added; and

5 (D) amended—

6 (i) in section 4702, as so redesign-
7 nated, by striking “sections 3629 and
8 3630” and inserting “sections 4710 and
9 4711”;

10 (ii) in section 4706(a)(3)(B), as so re-
11 designated, by striking “section 3626” and
12 inserting “section 4707”;

13 (iii) in section 4707(c), as so redesign-
14 nated, by striking “section 3625(b)(2)”
15 and inserting “section 4706(b)(2)”;

16 (iv) in section 4710(c), as so redesign-
17 nated, by striking “section 3621” and in-
18 serting “section 4702”;

19 (v) in section 4711(c), as so redesign-
20 nated, by striking “section 3621” and in-
21 serting “section 4702”; and

22 (vi) in section 4712, as so redesign-
23 nated, by striking “section 3621” and in-
24 serting “section 4702”.

1 (3) SUBTITLE HEADING ON PENALTIES.—Title
2 XLVII of division D of the Bob Stump National De-
3 fense Authorization Act for Fiscal Year 2003, as
4 amended by this subsection, is further amended by
5 adding at the end the following new subtitle heading:

6 **“Subtitle B—Penalties”.**

7 (4) RESTRICTION ON USE OF FUNDS TO PAY
8 PENALTIES UNDER ENVIRONMENTAL LAWS.—Sec-
9 tion 3132 of the National Defense Authorization Act
10 for Fiscal Year 1987 (Public Law 99–661; 100 Stat.
11 4063) is—

12 (A) transferred to title XLVII of division
13 D of the Bob Stump National Defense Author-
14 ization Act for Fiscal Year 2003, as amended
15 by this subsection;

16 (B) redesignated as section 4721;

17 (C) inserted after the heading for subtitle
18 B of such title, as added by paragraph (3); and

19 (D) amended in the section heading by
20 adding a period at the end.

21 (5) RESTRICTION ON USE OF FUNDS TO PAY
22 PENALTIES UNDER CLEAN AIR ACT.—Section 211 of
23 the Department of Energy National Security and
24 Military Applications of Nuclear Energy Authoriza-

1 tion Act of 1981 (Public Law 96–540; 94 Stat.
2 3203) is—

3 (A) transferred to title XLVII of division
4 D of the Bob Stump National Defense Author-
5 ization Act for Fiscal Year 2003, as amended
6 by this subsection;

7 (B) inserted after section 4721, as added
8 by paragraph (4); and

9 (C) amended—

10 (i) by striking the section heading and
11 inserting the following new section head-
12 ing:

13 **“SEC. 4722. RESTRICTION ON USE OF FUNDS TO PAY PEN-**
14 **ALTIES UNDER CLEAN AIR ACT.”;**

15 (ii) by striking “SEC. 211.”; and

16 (iii) by striking “this or any other
17 Act” and inserting “the Department of
18 Energy National Security and Military Ap-
19 plications of Nuclear Energy Authorization
20 Act of 1981 (Public Law 96–540) or any
21 other Act”.

22 (6) SUBTITLE HEADING ON OTHER MATTERS.—
23 Title XLVII of division D of the Bob Stump Na-
24 tional Defense Authorization Act for Fiscal Year
25 2003, as amended by this subsection, is further

1 amended by adding at the end the following new
2 subtitle heading:

3 **“Subtitle C—Other Matters”.**

4 (7) SINGLE REQUEST FOR AUTHORIZATION OF
5 APPROPRIATIONS FOR COMMON DEFENSE AND SECU-
6 RITY PROGRAMS.—Section 208 of the Department of
7 Energy National Security and Military Applications
8 of Nuclear Energy Authorization Act of 1979 (Pub-
9 lic Law 95–509; 92 Stat. 1779) is—

10 (A) transferred to title XLVII of division
11 D of the Bob Stump National Defense Author-
12 ization Act for Fiscal Year 2003, as amended
13 by this subsection;

14 (B) inserted after the heading for subtitle
15 C of such title, as added by paragraph (6); and

16 (C) amended—

17 (i) by striking the section heading and
18 inserting the following new section head-
19 ing:

20 **“SEC. 4731. SINGLE REQUEST FOR AUTHORIZATION OF AP-
21 PROPRIATIONS FOR COMMON DEFENSE AND
22 SECURITY PROGRAMS.”;**

23 and

24 (ii) by striking “SEC. 208.”.

25 (k) ADMINISTRATIVE MATTERS.—

1 (1) HEADINGS.—Division D of the Bob Stump
2 National Defense Authorization Act for Fiscal Year
3 2003, as amended by this section, is further amend-
4 ed by adding at the end the following new headings:

5 **“TITLE XLVIII—ADMINISTRATIVE**
6 **MATTERS**

7 **“Subtitle A—Contracts”.**

8 (2) COSTS NOT ALLOWED UNDER CERTAIN
9 CONTRACTS.—Section 1534 of the Department of
10 Defense Authorization Act, 1986 (Public Law 99–
11 145; 99 Stat. 774), as amended by section 3131 of
12 the National Defense Authorization Act for Fiscal
13 Years 1988 and 1989 (Public Law 100–180; 101
14 Stat. 1238), is—

15 (A) transferred to title XLVIII of division
16 D of the Bob Stump National Defense Author-
17 ization Act for Fiscal Year 2003, as added by
18 paragraph (1);

19 (B) redesignated as section 4801;

20 (C) inserted after the heading for subtitle
21 A of such title, as so added; and

22 (D) amended—

23 (i) in the section heading, by adding a
24 period at the end; and

1 (ii) in subsection (b)(1), by striking
2 “the date of the enactment of this Act,”
3 and inserting “November 8, 1985,”.

4 (3) PROHIBITION ON BONUSES TO CONTRAC-
5 TORS OPERATING DEFENSE NUCLEAR FACILITIES.—
6 Section 3151 of the National Defense Authorization
7 Act for Fiscal Years 1990 and 1991 (Public Law
8 101–189; 103 Stat. 1682) is—

9 (A) transferred to title XLVIII of division
10 D of the Bob Stump National Defense Author-
11 ization Act for Fiscal Year 2003, as amended
12 by this subsection;

13 (B) redesignated as section 4802;

14 (C) inserted after section 4801, as added
15 by paragraph (2); and

16 (D) amended—

17 (i) in the section heading, by adding a
18 period at the end;

19 (ii) in subsection (a), by striking “the
20 date of the enactment of this Act” and in-
21 serting “November 29, 1989”;

22 (iii) in subsection (b), by striking “6
23 months after the date of the enactment of
24 this Act,” and inserting “May 29, 1990,”;
25 and

1 (iv) in subsection (d), by striking “90
2 days after the date of the enactment of
3 this Act” and inserting “March 1, 1990”.

4 (4) CONTRACTOR LIABILITY FOR INJURY OR
5 LOSS OF PROPERTY ARISING FROM ATOMIC WEAP-
6 ONS TESTING PROGRAMS.—Section 3141 of the Na-
7 tional Defense Authorization Act for Fiscal Year
8 1991 (Public Law 101–510; 104 Stat. 1837) is—

9 (A) transferred to title XLVIII of division
10 D of the Bob Stump National Defense Author-
11 ization Act for Fiscal Year 2003, as amended
12 by this subsection;

13 (B) redesignated as section 4803;

14 (C) inserted after section 4802, as added
15 by paragraph (3); and

16 (D) amended—

17 (i) in the section heading, by adding a
18 period at the end; and

19 (ii) in subsection (d), by striking “the
20 date of the enactment of this Act” each
21 place it appears and inserting “November
22 5, 1990,”.

23 (5) SUBTITLE HEADING ON RESEARCH AND DE-
24 VELOPMENT.—Title XLVIII of division D of the
25 Bob Stump National Defense Authorization Act for

1 Fiscal Year 2003, as amended by this subsection, is
2 further amended by adding at the end the following
3 new subtitle heading:

4 **“Subtitle B—Research and**
5 **Development”.**

6 (6) LABORATORY-DIRECTED RESEARCH AND
7 DEVELOPMENT.—Section 3132 of the National De-
8 fense Authorization Act for Fiscal Year 1991 (Pub-
9 lic Law 101–510; 104 Stat. 1832) is—

10 (A) transferred to title XLVIII of division
11 D of the Bob Stump National Defense Author-
12 ization Act for Fiscal Year 2003, as amended
13 by this subsection;

14 (B) redesignated as section 4811;

15 (C) inserted after the heading for subtitle
16 B of such title, as added by paragraph (5); and

17 (D) amended in the section heading by
18 adding a period at the end.

19 (7) LIMITATIONS ON USE OF FUNDS FOR LAB-
20 ORATORY DIRECTED RESEARCH AND DEVELOP-
21 MENT.—

22 (A) LIMITATIONS ON USE OF FUNDS FOR
23 LABORATORY DIRECTED RESEARCH AND DE-
24 VELOPMENT.—Section 3137 of the National

1 Defense Authorization Act for Fiscal Year 1998
2 (Public Law 105–85; 111 Stat. 2038) is—

3 (i) transferred to title XLVIII of divi-
4 sion D of the Bob Stump National Defense
5 Authorization Act for Fiscal Year 2003, as
6 amended by this subsection;

7 (ii) redesignated as section 4812;

8 (iii) inserted after section 4811, as
9 added by paragraph (6); and

10 (iv) amended—

11 (I) in subsection (b), by striking
12 “section 3136(b) of the National De-
13 fense Authorization Act for Fiscal
14 Year 1997 (Public Law 104–201; 110
15 Stat. 2831; 42 U.S.C. 7257b)” and
16 inserting “section 4812A(b)”;

17 (II) in subsection (d)—

18 (aa) by striking “section
19 3136(b)(1)” and inserting “sec-
20 tion 4812A(b)(1)”;

21 (bb) by striking “section
22 3132(c) of the National Defense
23 Authorization Act for Fiscal Year
24 1991 (42 U.S.C. 7257a(c))” and
25 inserting “section 4811(c)”;

1 (III) in subsection (e), by strik-
2 ing “section 3132(d) of the National
3 Defense Authorization Act for Fiscal
4 Year 1991 (42 U.S.C. 7257a(d))” and
5 inserting “section 4811(d)”.

6 (B) LIMITATION ON USE OF FUNDS FOR
7 CERTAIN RESEARCH AND DEVELOPMENT PUR-
8 POSES.—Section 3136 of the National Defense
9 Authorization Act for Fiscal Year 1997 (Public
10 Law 104–201; 110 Stat. 2830), as amended by
11 section 3137 of the National Defense Author-
12 ization Act for Fiscal Year 1998 (Public Law
13 105–85; 111 Stat. 2038), is—

14 (i) transferred to title XLVIII of divi-
15 sion D of the Bob Stump National Defense
16 Authorization Act for Fiscal Year 2003, as
17 amended by this subsection;

18 (ii) redesignated as section 4812A;

19 (iii) inserted after section 4812, as
20 added by paragraph (7); and

21 (iv) amended in subsection (a) by in-
22 serting “of the National Defense Author-
23 ization Act for Fiscal Year 1997 (Public
24 Law 104–201)” after “section 3101”.

1 (8) CRITICAL TECHNOLOGY PARTNERSHIPS.—
2 Section 3136 of the National Defense Authorization
3 Act for Fiscal Years 1992 and 1993 (Public Law
4 102–190; 105 Stat. 1577), as amended by section
5 203(b)(3) of Public Law 103–35 (107 Stat. 102),
6 is—

7 (A) transferred to title XLVIII of division
8 D of the Bob Stump National Defense Author-
9 ization Act for Fiscal Year 2003, as amended
10 by this subsection;

11 (B) redesignated as section 4813; and

12 (C) inserted after section 4812A, as added
13 by paragraph (7)(B).

14 (9) UNIVERSITY-BASED RESEARCH COLLABORA-
15 TION PROGRAM.—Section 3155 of the National De-
16 fense Authorization Act for Fiscal Year 1998 (Pub-
17 lic Law 105–85; 111 Stat. 2044) is—

18 (A) transferred to title XLVIII of division
19 D of the Bob Stump National Defense Author-
20 ization Act for Fiscal Year 2003, as amended
21 by this subsection;

22 (B) redesignated as section 4814;

23 (C) inserted after section 4813, as added
24 by paragraph (8); and

(D) amended in subsection (c) by striking “this title” and inserting “title XXXI of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85)”.

(10) SUBTITLE HEADING ON FACILITIES MANAGEMENT.—Title XLVIII of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection, is further amended by adding at the end the following new subtitle heading:

**“Subtitle C—Facilities
Management”.**

(11) TRANSFERS OF REAL PROPERTY AT CERTAIN FACILITIES.—Section 3158 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2046) is—

(A) transferred to title XLVIII of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection;

(B) redesignated as section 4831; and

(C) inserted after the heading for subtitle C of such title, as added by paragraph (10).

(12) ENGINEERING AND MANUFACTURING RESEARCH, DEVELOPMENT, AND DEMONSTRATION AT

1 CERTAIN NUCLEAR WEAPONS PRODUCTION
2 PLANTS.—Section 3156 of the Floyd D. Spence Na-
3 tional Defense Authorization Act for Fiscal Year
4 2001 (as enacted into law by Public Law 106–398;
5 114 Stat. 1654A–467) is—

6 (A) transferred to title XLVIII of division
7 D of the Bob Stump National Defense Author-
8 ization Act for Fiscal Year 2003, as amended
9 by this subsection;

10 (B) redesignated as section 4832; and

11 (C) inserted after section 4831, as added
12 by paragraph (11).

13 (13) PILOT PROGRAM ON USE OF PROCEEDS OF
14 DISPOSAL OR UTILIZATION OF CERTAIN ASSETS.—
15 Section 3138 of the National Defense Authorization
16 Act for Fiscal Year 1998 (Public Law 105–85; 111
17 Stat. 2039) is—

18 (A) transferred to title XLVIII of division
19 D of the Bob Stump National Defense Author-
20 ization Act for Fiscal Year 2003, as amended
21 by this subsection;

22 (B) redesignated as section 4833;

23 (C) inserted after section 4832, as added
24 by paragraph (12); and

1 (D) amended in subsection (d) by striking
2 “sections 202 and 203(j) of the Federal Prop-
3 erty and Administrative Services Act of 1949
4 (40 U.S.C. 483 and 484(j))” and inserting
5 “subchapter II of chapter 5 and section 549 of
6 title 40, United States Code,”.

7 (14) SUBTITLE HEADING ON OTHER MAT-
8 TERS.—Title XLVIII of division D of the Bob
9 Stump National Defense Authorization Act for Fis-
10 cal Year 2003, as amended by this subsection, is
11 further amended by adding at the end the following
12 new subtitle heading:

13 **“Subtitle D—Other Matters”.**

14 (15) SEMIANNUAL REPORTS ON LOCAL IMPACT
15 ASSISTANCE.—Subsection (f) of section 3153 of the
16 National Defense Authorization Act for Fiscal Year
17 1998 (Public Law 105–85; 111 Stat. 2044) is—

18 (A) transferred to title XLVIII of division
19 D of the Bob Stump National Defense Author-
20 ization Act for Fiscal Year 2003, as amended
21 by this subsection;

22 (B) inserted after the heading for subtitle
23 D of such title, as added by paragraph (14);
24 and

25 (C) amended—

1 (i) by inserting before the text the fol-
 2 lowing new section heading:

3 **“SEC. 4851. SEMIANNUAL REPORTS ON LOCAL IMPACT AS-**
 4 **SISTANCE.”;**

5 (ii) by striking “(f) SEMIANNUAL RE-
 6 PORTS TO CONGRESS OF LOCAL IMPACT
 7 ASSISTANCE.—”; and

8 (iii) by striking “section 3161(c)(6) of
 9 the National Defense Authorization Act of
 10 1993 (42 U.S.C. 7274h(c)(6))” and insert-
 11 ing “section 4604(c)(6)”.

12 (l) MATTERS RELATING TO PARTICULAR FACILI-
 13 TIES.—

14 (1) HEADINGS.—Division D of the Bob Stump
 15 National Defense Authorization Act for Fiscal Year
 16 2003, as amended by this section, is further amend-
 17 ed by adding at the end the following new headings:

18 **“TITLE XLIX—MATTERS RELAT-**
 19 **ING TO PARTICULAR FACILI-**
 20 **TIES**

21 **“Subtitle A—Hanford Reservation,**
 22 **Washington”.**

23 (2) SAFETY MEASURES FOR WASTE TANKS.—
 24 Section 3137 of the National Defense Authorization

1 Act for Fiscal Year 1991 (Public Law 101–510; 104
2 Stat. 1833) is—

3 (A) transferred to title XLIX of division D
4 of the Bob Stump National Defense Authoriza-
5 tion Act for Fiscal Year 2003, as added by
6 paragraph (1);

7 (B) redesignated as section 4901;

8 (C) inserted after the heading for subtitle
9 A of such title, as so added; and

10 (D) amended—

11 (i) in the section heading, by adding a
12 period at the end;

13 (ii) in subsection (a), by striking
14 “Within 90 days after the date of the en-
15 actment of this Act,” and inserting “Not
16 later than February 3, 1991,”;

17 (iii) in subsection (b), by striking
18 “Within 120 days after the date of the en-
19 actment of this Act,” and inserting “Not
20 later than March 5, 1991,”;

21 (iv) in subsection (c), by striking “Be-
22 ginning 120 days after the date of the en-
23 actment of this Act,” and inserting “Be-
24 ginning March 5, 1991,”; and

1 (v) in subsection (d), by striking
2 “Within six months after the date of the
3 enactment of this Act,” and inserting “Not
4 later than May 5, 1991,”.

5 (3) PROGRAMS FOR PERSONS WHO MAY HAVE
6 BEEN EXPOSED TO RADIATION RELEASED FROM
7 HANFORD RESERVATION.—Section 3138 of the Na-
8 tional Defense Authorization Act for Fiscal Year
9 1991 (Public Law 101–510; 104 Stat. 1834), as
10 amended by section 3138 of the National Defense
11 Authorization Act for Fiscal Year 1995 (Public Law
12 103–337; 108 Stat. 3087), is—

13 (A) transferred to title XLIX of division D
14 of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003, as amended by
16 this subsection;

17 (B) redesignated as section 4902;

18 (C) inserted after section 4901, as added
19 by paragraph (2); and

20 (D) amended—

21 (i) in the section heading, by adding a
22 period at the end;

23 (ii) in subsection (a), by striking “this
24 title” and inserting “title XXXI of the Na-

1 tional Defense Authorization Act for Fiscal
2 Year 1991 (Public Law 101–510)”; and

3 (iii) in subsection (c)—

4 (I) in paragraph (2), by striking
5 “six months after the date of the en-
6 actment of this Act,” and inserting
7 “May 5, 1991,”; and

8 (II) in paragraph (3), by striking
9 “18 months after the date of the en-
10 actment of this Act,” and inserting
11 “May 5, 1992,”.

12 (4) WASTE TANK CLEANUP PROGRAM.—Section
13 3139 of the Strom Thurmond National Defense Au-
14 thorization Act for Fiscal Year 1999 (Public Law
15 105–261; 112 Stat. 2250), as amended by section
16 3141 of the Floyd D. Spence National Defense Au-
17 thorization Act for Fiscal Year 2001 (as enacted
18 into law by Public Law 106–398; 114 Stat. 1654A–
19 463) and section 3135 of the National Defense Au-
20 thorization Act for Fiscal Year 2002 (Public Law
21 107–107; 115 Stat. 1368), is—

22 (A) transferred to title XLIX of division D
23 of the Bob Stump National Defense Authoriza-
24 tion Act for Fiscal Year 2003, as amended by
25 this subsection;

1 (B) redesignated as section 4903;

2 (C) inserted after section 4902, as added
3 by paragraph (3); and

4 (D) amended in subsection (d) by striking
5 “30 days after the date of the enactment of the
6 Floyd D. Spence National Defense Authoriza-
7 tion Act for Fiscal Year 2001,” and inserting
8 “November 29, 2000,”.

9 (5) RIVER PROTECTION PROJECT.—Subsection
10 (a) of section 3141 of the Floyd D. Spence National
11 Defense Authorization Act for Fiscal Year 2001 (as
12 enacted into law by Public Law 106–398; 114 Stat.
13 1654A–462) is—

14 (A) transferred to title XLIX of division D
15 of the Bob Stump National Defense Authoriza-
16 tion Act for Fiscal Year 2003, as amended by
17 this subsection;

18 (B) inserted after section 4903, as added
19 by paragraph (4); and

20 (C) amended—

21 (i) by inserting before the text the fol-
22 lowing new section heading:

23 **“SEC. 4904. RIVER PROTECTION PROJECT.”;**

24 and

1 (ii) by striking “(a) REDESIGNATION
2 OF PROJECT.—”.

3 (6) FUNDING FOR TERMINATION COSTS OF
4 RIVER PROTECTION PROJECT.—Section 3131 of the
5 Floyd D. Spence National Defense Authorization
6 Act for Fiscal Year 2001 (as enacted into law by
7 Public Law 106–398; 114 Stat. 1654A–454) is—

8 (A) transferred to title XLIX of division D
9 of the Bob Stump National Defense Authoriza-
10 tion Act for Fiscal Year 2003, as amended by
11 this subsection;

12 (B) redesignated as section 4905;

13 (C) inserted after section 4904, as added
14 by paragraph (5); and

15 (D) amended—

16 (i) by striking “section 3141” and in-
17 serting “section 4904”; and

18 (ii) by striking “the date of the enact-
19 ment of this Act” and inserting “October
20 30, 2000”.

21 (7) SUBTITLE HEADING ON SAVANNAH RIVER
22 SITE, SOUTH CAROLINA.—Title XLIX of division D
23 of the Bob Stump National Defense Authorization
24 Act for Fiscal Year 2003, as amended by this sub-

1 section, is further amended by adding at the end the
2 following new subtitle heading:

3 **“Subtitle B—Savannah River Site,**
4 **South Carolina”.**

5 (8) ACCELERATED SCHEDULE FOR ISOLATING
6 HIGH-LEVEL NUCLEAR WASTE AT DEFENSE WASTE
7 PROCESSING FACILITY.—Section 3141 of the Na-
8 tional Defense Authorization Act for Fiscal Year
9 1997 (Public Law 104–201; 110 Stat. 2834) is—

10 (A) transferred to title XLIX of division D
11 of the Bob Stump National Defense Authoriza-
12 tion Act for Fiscal Year 2003, as amended by
13 this subsection;

14 (B) redesignated as 4911; and

15 (C) inserted after the heading for subtitle
16 B of such title, as added by paragraph (7).

17 (9) MULTI-YEAR PLAN FOR CLEAN-UP.—Sub-
18 section (e) of section 3142 of the National Defense
19 Authorization Act for Fiscal Year 1997 (Public Law
20 104–201; 110 Stat. 2834) is—

21 (A) transferred to title XLIX of division D
22 of the Bob Stump National Defense Authoriza-
23 tion Act for Fiscal Year 2003, as amended by
24 this subsection;

1 (B) inserted after section 4911, as added
2 by paragraph (8); and

3 (C) amended—

4 (i) by inserting before the text the fol-
5 lowing new section heading:

6 **“SEC. 4912. MULTI-YEAR PLAN FOR CLEAN-UP.”;**

7 and

8 (ii) by striking “(e) MULTI-YEAR
9 PLAN FOR CLEAN-UP AT SAVANNAH
10 RIVER SITE.—The Secretary” and insert-
11 ing “The Secretary of Energy”.

12 (10) CONTINUATION OF PROCESSING, TREAT-
13 MENT, AND DISPOSAL OF LEGACY NUCLEAR MATE-
14 RIALS.—

15 (A) FISCAL YEAR 2001.—Subsection (a) of
16 section 3137 of the Floyd D. Spence National
17 Defense Authorization Act for Fiscal Year 2001
18 (as enacted into law by Public Law 106–398;
19 114 Stat 1654A–460) is—

20 (i) transferred to title XLIX of divi-
21 sion D of the Bob Stump National Defense
22 Authorization Act for Fiscal Year 2003, as
23 amended by this subsection;

24 (ii) inserted after section 4912, as
25 added by paragraph (9); and

1 (iii) amended—

2 (I) by inserting before the text
3 the following new section heading:

4 **“SEC. 4913. CONTINUATION OF PROCESSING, TREATMENT,**
5 **AND DISPOSAL OF LEGACY NUCLEAR MATE-**
6 **RIALS.”;**

7 and

8 (II) by striking “(a) CONTINU-
9 ATION.—”.

10 (B) FISCAL YEAR 2000.—Section 3132 of
11 the National Defense Authorization Act for Fis-
12 cal Year 2000 (Public Law 106–65; 113 Stat.
13 924) is—

14 (i) transferred to title XLIX of divi-
15 sion D of the Bob Stump National Defense
16 Authorization Act for Fiscal Year 2003, as
17 amended by this subsection;

18 (ii) redesignated as section 4913A;

19 and

20 (iii) inserted after section 4913, as
21 added by subparagraph (A).

22 (C) FISCAL YEAR 1999.—Section 3135 of
23 the Strom Thurmond National Defense Author-
24 ization Act for Fiscal Year 1999 (Public Law
25 105–261; 112 Stat. 2248) is—

(i) transferred to title XLIX of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection;

(ii) redesignated as section 4913B; and

(iii) inserted after section 4913A, as added by subparagraph (B).

(D) FISCAL YEAR 1998.—Subsection (b) of section 3136 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2038) is—

(i) transferred to title XLIX of division D of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, as amended by this subsection;

(ii) inserted after section 4913B, as added by subparagraph (C); and

(iii) amended—

(I) by inserting before the text the following new section heading:

“SEC. 4913C. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSAL OF LEGACY NUCLEAR MATERIALS.”;

and

1 (II) by striking “(b) REQUIRE-
2 MENT FOR CONTINUING OPERATIONS
3 AT SAVANNAH RIVER SITE.—”.

4 (E) FISCAL YEAR 1997.—Subsection (f) of
5 section 3142 of the National Defense Author-
6 ization Act for Fiscal Year 1997 (Public Law
7 104–201; 110 Stat. 2836) is—

8 (i) transferred to title XLIX of divi-
9 sion D of the Bob Stump National Defense
10 Authorization Act for Fiscal Year 2003, as
11 amended by this subsection;

12 (ii) inserted after section 4913C, as
13 added by subparagraph (D); and

14 (iii) amended—

15 (I) by inserting before the text
16 the following new section heading:

17 **“SEC. 4913D. CONTINUATION OF PROCESSING, TREATMENT,**
18 **AND DISPOSAL OF LEGACY NUCLEAR MATE-**
19 **RIALS.”;**

20 (II) by striking “(f) REQUIRE-
21 MENT FOR CONTINUING OPERATIONS
22 AT SAVANNAH RIVER SITE.—The
23 Secretary” and inserting “The Sec-
24 retary of Energy”; and

1 (III) by striking “subsection (e)”
2 and inserting “section 4912”.

3 (11) LIMITATION ON USE OF FUNDS FOR DE-
4 COMMISSIONING F-CANYON FACILITY.—Subsection
5 (b) of section 3137 of the Floyd D. Spence National
6 Defense Authorization Act for Fiscal Year 2001 (as
7 enacted into law by Public Law 106–398; 114 Stat.
8 1654A–460) is—

9 (A) transferred to title XLIX of division D
10 of the Bob Stump National Defense Authoriza-
11 tion Act for Fiscal Year 2003, as amended by
12 this subsection;

13 (B) inserted after section 4913D, as added
14 by paragraph (10)(E); and

15 (C) amended—

16 (i) by inserting before the text the fol-
17 lowing new section heading:

18 **“SEC. 4914. LIMITATION ON USE OF FUNDS FOR DECOMMIS-**
19 **SIONING F-CANYON FACILITY.”;**

20 (ii) by striking “(b) LIMITATION ON
21 USE OF FUNDS FOR DECOMMISSIONING
22 F-CANYON FACILITY.—”;

23 (iii) by striking “this or any other
24 Act” and inserting “the Floyd D. Spence
25 National Defense Authorization Act for

1 Fiscal Year 2001 (as enacted into law by
2 Public Law 106–398) or any other Act”;
3 and

4 (iv) by striking “the Secretary” in the
5 matter preceding paragraph (1) and insert-
6 ing “the Secretary of Energy”.

7 (12) DISPOSITION OF PLUTONIUM.—

8 (A) DISPOSITION OF WEAPONS USABLE
9 PLUTONIUM.—Section 3182 of the Bob Stump
10 National Defense Authorization Act for Fiscal
11 Year 2003 (Public Law 107–314; 116 Stat.
12 2747) is—

13 (i) transferred to title XLIX of divi-
14 sion D of such Act, as amended by this
15 subsection;

16 (ii) redesignated as section 4915; and

17 (iii) inserted after section 4914, as
18 added by paragraph (11).

19 (B) DISPOSITION OF SURPLUS DEFENSE
20 PLUTONIUM.—Section 3155 of the National De-
21 fense Authorization Act for Fiscal Year 2002
22 (Public Law 107–107; 115 Stat. 1378) is—

23 (i) transferred to title XLIX of divi-
24 sion D of the Bob Stump National Defense

1 Authorization Act for Fiscal Year 2003, as
2 amended by this subsection;

3 (ii) redesignated as section 4915A;
4 and

5 (iii) inserted after section 4915, as
6 added by subparagraph (A).

7 (13) SUBTITLE HEADING ON OTHER FACILI-
8 TIES.—Title XLIX of division D of the Bob Stump
9 National Defense Authorization Act for Fiscal Year
10 2003, as amended by this subsection, is further
11 amended by adding at the end the following new
12 subtitle heading:

13 **“Subtitle C—Other Facilities”.**

14 (14) PAYMENT OF COSTS OF OPERATION AND
15 MAINTENANCE OF INFRASTRUCTURE AT NEVADA
16 TEST SITE.—Section 3144 of the National Defense
17 Authorization Act for Fiscal Year 1997 (Public Law
18 104–201; 110 Stat. 2838) is—

19 (A) transferred to title XLIX of division D
20 of such Act, as amended by this subsection;

21 (B) redesignated as section 4921; and

22 (C) inserted after the heading for subtitle
23 C of such title, as added by paragraph (13).

24 (m) CONFORMING AMENDMENTS.—(1) Title XXXVI
25 of the Bob Stump National Defense Authorization Act for

1 Fiscal Year 2003 (Public Law 107–314; 116 Stat. 1756)
 2 is repealed.

3 (2) Subtitle E of title XXXI of the National Defense
 4 Authorization Act for Fiscal Year 1993 (Public Law 102–
 5 484; 42 U.S.C. 7274h et seq.) is repealed.

6 (3) Section 8905a(d)(5)(A) of title 5, United States
 7 Code, is amended by striking “section 3143 of the Na-
 8 tional Defense Authorization Act for Fiscal Year 1997 (42
 9 U.S.C. 7274n)” and inserting “section 4421 of the Atomic
 10 Energy Defense Act”.

11 **TITLE XXXII—DEFENSE NU-**
 12 **CLEAR FACILITIES SAFETY**
 13 **BOARD**

14 **SEC. 3201. AUTHORIZATION.**

15 There are authorized to be appropriated for fiscal
 16 year 2004, \$19,559,000 for the operation of the Defense
 17 Nuclear Facilities Safety Board under chapter 21 of the
 18 Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

19 **TITLE XXXIII—NATIONAL**
 20 **DEFENSE STOCKPILE**

21 **SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE**
 22 **STOCKPILE FUNDS.**

23 (a) OBLIGATION OF STOCKPILE FUNDS.—During fis-
 24 cal year 2004, the National Defense Stockpile Manager
 25 may obligate up to \$69,701,000 of the funds in the Na-

1 tional Defense Stockpile Transaction Fund established
2 under subsection (a) of section 9 of the Strategic and Crit-
3 ical Materials Stock Piling Act (50 U.S.C. 98h) for the
4 authorized uses of such funds under subsection (b)(2) of
5 such section, including the disposal of hazardous materials
6 that are environmentally sensitive.

7 (b) ADDITIONAL OBLIGATIONS.—The National De-
8 fense Stockpile Manager may obligate amounts in excess
9 of the amount specified in subsection (a) if the National
10 Defense Stockpile Manager notifies Congress that extraor-
11 dinary or emergency conditions necessitate the additional
12 obligations. The National Defense Stockpile Manager may
13 make the additional obligations described in the notifica-
14 tion after the end of the 45-day period beginning on the
15 date on which Congress receives the notification.

16 (c) LIMITATIONS.—The authorities provided by this
17 section shall be subject to such limitations as may be pro-
18 vided in appropriations Acts.

19 **SEC. 3302. REVISIONS TO OBJECTIVES FOR RECEIPTS FOR**
20 **FISCAL YEAR 2000 DISPOSALS.**

21 (a) IN GENERAL.—Section 3402(b) of the National
22 Defense Authorization Act for Fiscal Year 2000 (Public
23 Law 106–65; 113 Stat. 972; 50 U.S.C. 98d note) is
24 amended—

1 (1) by striking “and” at the end of paragraph
2 (2); and

3 (2) by striking paragraph (3) and inserting the
4 following new paragraphs:

5 “(3) \$310,000,000 before the end of fiscal year
6 2008; and

7 “(4) \$320,000,000 before the end of fiscal year
8 2009.”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 subsection (a) shall take effect on October 1, 2003, or the
11 date of the enactment of this Act, whichever is later.

12 **TITLE XXXIV—NAVAL**
13 **PETROLEUM RESERVES**

14 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

15 (a) AMOUNT.—There are hereby authorized to be ap-
16 propriated to the Secretary of Energy \$16,500,000 for fis-
17 cal year 2004 for the purpose of carrying out activities
18 under chapter 641 of title 10, United States Code, relating
19 to the naval petroleum reserves.

20 (b) PERIOD OF AVAILABILITY.—Funds appropriated
21 pursuant to the authorization of appropriations in sub-
22 section (a) shall remain available until expended.

1 **TITLE XXXV—MARITIME**
2 **ADMINISTRATION**
3 **Subtitle A—General Provisions**

4 **SEC. 3501. SHORT TITLE.**

5 This title may be cited as the “Maritime Security Act
6 of 2003”.

7 **SEC. 3502. DEFINITIONS.**

8 In this subtitle:

9 (1) **BULK CARGO.**—The term “bulk cargo”
10 means cargo that is loaded and carried in bulk with-
11 out mark or count.

12 (2) **CONTRACTOR.**—The term “contractor”
13 means an owner or operator of a vessel that enters
14 into an operating agreement for the vessel with the
15 Secretary under section 3512.

16 (3) **FLEET.**—The term “Fleet” means the Mar-
17 itime Security Fleet established under section
18 3511(a).

19 (4) **FOREIGN COMMERCE.**—The term “foreign
20 commerce”—

21 (A) subject to subparagraph (B), means
22 commerce or trade between the United States,
23 its territories or possessions, or the District of
24 Columbia, and a foreign country; and

1 (B) includes, in the case of liquid and dry
2 bulk cargo carrying services, trading between
3 foreign ports in accordance with normal com-
4 mercial bulk shipping practices in such manner
5 as will permit United States-documented vessels
6 freely to compete with foreign-flag bulk car-
7 rying vessels in their operation or in competing
8 for charters, subject to rules and regulations
9 promulgated by the Secretary of Transportation
10 pursuant to subtitle B or C.

11 (5) FORMER PARTICIPATING FLEET VESSEL.—

12 The term “former participating fleet vessel”
13 means—

14 (A) any vessel that—

15 (i) on October 1, 2005—

16 (I) will meet the requirements of
17 paragraph (1), (2), (3), or (4) of sec-
18 tion 3511(c); and

19 (II) will be less than 25 years of
20 age, or less than 30 years of age in
21 the case of a LASH vessel; and

22 (ii) on December 31, 2003, is covered
23 by an operating agreement under subtitle
24 B of title VI of the Merchant Marine Act,
25 1936 (46 App. U.S.C. 1187 et seq.); and

1 (B) any vessel that—

2 (i) is a replacement for a vessel de-
3 scribed in subparagraph (A);

4 (ii) is controlled by the person that
5 controls such replaced vessel;

6 (iii) is eligible to be included in the
7 Fleet under section 3511(b);

8 (iv) is approved by the Secretary and
9 the Secretary of Defense; and

10 (v) begins operation under an oper-
11 ating agreement under subtitle B by not
12 later than the end of the 30-month period
13 beginning on the date the operating agree-
14 ment is entered into by the Secretary.

15 (6) LASH VESSEL.—The term “LASH vessel”
16 means a lighter aboard ship vessel.

17 (7) PERSON.—The term “person” includes cor-
18 porations, partnerships, and associations existing
19 under or authorized by the laws of the United
20 States, or any State, Territory, District, or posses-
21 sion thereof, or of any foreign country.

22 (8) PRODUCT TANK VESSEL.—The term “prod-
23 uct tank vessel” means a double hulled tank vessel
24 capable of carrying simultaneously more than 2 sep-
25 arated grades of refined petroleum products.

1 (9) SECRETARY.—The term “Secretary” means
2 the Secretary of Transportation.

3 (10) UNITED STATES.—The term “United
4 States” includes the District of Columbia, the Com-
5 monwealth of Puerto Rico, the Northern Mariana Is-
6 lands, Guam, American Samoa, the Virgin Islands.

7 (11) UNITED STATES-DOCUMENTED VESSEL.—
8 The term “United States-documented vessel” means
9 a vessel documented under chapter 121 of title 46,
10 United States Code.

11 **Subtitle B—Maritime Security**
12 **Fleet**

13 **SEC. 3511. ESTABLISHMENT OF MARITIME SECURITY**
14 **FLEET.**

15 (a) IN GENERAL.—The Secretary of Transportation
16 shall establish a fleet of active, militarily useful, privately
17 owned vessels to meet national defense and other security
18 requirements and maintain a United States presence in
19 international commercial shipping. The Fleet shall consist
20 of privately owned, United States-documented vessels for
21 which there are in effect operating agreements under this
22 subtitle, and shall be known as the Maritime Security
23 Fleet.

24 (b) VESSEL ELIGIBILITY.—A vessel is eligible to be
25 included in the Fleet if—

1 (1) the vessel meets the requirements of para-
2 graph (1), (2), (3), or (4) of subsection (c);

3 (2) the vessel is operated (or in the case of a
4 vessel to be constructed, will be operated) in pro-
5 viding transportation in foreign commerce;

6 (3) the vessel is self-propelled and is—

7 (A) a roll-on/roll-off vessel with a carrying
8 capacity of at least 80,000 square feet or 500
9 twenty-foot equivalent units and that is 15
10 years of age or less on the date the vessel is in-
11 cluded in the Fleet;

12 (B) a tank vessel that is constructed in the
13 United States after the date of the enactment
14 of this subtitle;

15 (C) a tank vessel that is 10 years of age
16 or less on the date the vessel is included in the
17 Fleet;

18 (D) a LASH vessel that is 25 years of age
19 or less on the date the vessel is included in the
20 Fleet; or

21 (E) any other type of vessel that is 15
22 years of age or less on the date the vessel is in-
23 cluded in the Fleet;

24 except that the Secretary of Transportation shall
25 waive the application of an age restriction under this

1 paragraph if the waiver is requested by the Sec-
2 retary of Defense;

3 (4) the vessel is determined by the Secretary of
4 Defense to be suitable for use by the United States
5 for national defense or military purposes in time of
6 war or national emergency; and

7 (5) the vessel—

8 (A) is a United States-documented vessel;

9 or

10 (B) is not a United States-documented ves-
11 sel, but—

12 (i) the owner of the vessel has dem-
13 onstrated an intent to have the vessel doc-
14 umented under chapter 121 of title 46,
15 United States Code, if it is included in the
16 Fleet; and

17 (ii) at the time an operating agree-
18 ment for the vessel is entered into under
19 this subtitle, the vessel is eligible for docu-
20 mentation under chapter 121 of title 46,
21 United States Code.

22 (c) REQUIREMENTS REGARDING CITIZENSHIP OF
23 OWNERS AND CHARTERERS.—

24 (1) VESSEL OWNED AND OPERATED BY SEC-
25 TION 2 CITIZENS.—A vessel meets the requirements

1 of this paragraph if, during the period of an oper-
2 ating agreement under this subtitle that applies to
3 the vessel, the vessel will be owned and operated by
4 persons one or more persons that are citizens of the
5 United States under section 2 of the Shipping Act,
6 1916 (46 App. U.S.C. 802).

7 (2) VESSEL OWNED BY SECTION 2 CITIZEN AND
8 CHARTERED TO DOCUMENTATION CITIZEN.—A ves-
9 sel meets the requirements of this paragraph if—

10 (A) during the period of an operating
11 agreement under this subtitle that applies to
12 the vessel, the vessel will be—

13 (i) owned by a person that is a citizen
14 of the United States under section 2 of the
15 Shipping Act, 1916 (46 App. U.S.C. 802);
16 and

17 (ii) demise chartered to a person—

18 (I) that is eligible to document
19 the vessel under chapter 121 of title
20 46, United States Code;

21 (II) the chairman of the board of
22 directors, chief executive officer, and a
23 majority of the members of the board
24 of directors of which are citizens of
25 the United States under section 2 of

1 the Shipping Act, 1916 (46 App.
2 U.S.C. 802), and are appointed and
3 subjected to removal only upon ap-
4 proval by the Secretary; and

5 (III) that certifies that there are
6 no treaties, statutes, regulations, or
7 other laws that would prohibit the
8 contractor for the vessel from per-
9 forming its obligations under an oper-
10 ating agreement under this subtitle;
11 and

12 (B) in the case of a vessel that will be
13 chartered to a person that is owned or con-
14 trolled by another person that is not a citizen
15 of the United States under section 2 of the
16 Shipping Act, 1916 (46 App. U.S.C. 802), the
17 other person enters into an agreement with the
18 Secretary not to influence the operation of the
19 vessel in a manner that will adversely affect the
20 interests of the United States.

21 (3) VESSEL OWNED AND OPERATED BY DE-
22 FENSE CONTRACTOR.—A vessel meets the require-
23 ments of this paragraph if, during the period of an
24 operating agreement under this subtitle that applies

1 to the vessel, the vessel will be owned and operated
2 by one or more persons that—

3 (A) are eligible to document a vessel under
4 chapter 121 of title 46, United States Code;

5 (B) operates or manages other United
6 States-documented vessels for the Secretary of
7 Defense, or charters other vessels to the Sec-
8 retary of Defense;

9 (C) has entered into a Special Security
10 Agreement for purposes of this paragraph with
11 the Secretary of Defense;

12 (D) makes the certification described in
13 paragraph (2)(A)(ii)(III); and

14 (E) in the case of a vessel described in
15 paragraph (2)(B), enters into an agreement re-
16 ferred to in that paragraph.

17 (4) VESSEL OWNED BY DOCUMENTATION CIT-
18 IZEN AND CHARTERED TO SECTION 2 CITIZEN.—A
19 vessel meets the requirements of this paragraph if,
20 during the period of an operating agreement under
21 this subtitle that applies to the vessel, the vessel will
22 be—

23 (A) owned by a person that is eligible to
24 document a vessel under chapter 121 of title
25 46, United States Code; and

1 (B) demise chartered to a person that is a
2 citizen of the United States under section 2 of
3 the Shipping Act, 1916 (46 App. U.S.C. 802).

4 (d) REQUEST BY SECRETARY OF DEFENSE.—The
5 Secretary of Defense shall request the Secretary of Home-
6 land Security to issue any waiver under the first section
7 of Public Law 81–891 (64 Stat. 1120; 46 App. U.S.C.
8 note prec. 3) that is necessary for purposes of this subtitle.

9 **SEC. 3512. AWARD OF OPERATING AGREEMENTS.**

10 (a) IN GENERAL.—The Secretary shall require, as a
11 condition of including any vessel in the Fleet, that the per-
12 son that is the owner or charterer of the vessel for pur-
13 poses of section 3511(c) enter into an operating agreement
14 with the Secretary under this section.

15 (b) PROCEDURE FOR APPLICATIONS.—

16 (1) ACCEPTANCE OF APPLICATIONS.—Begin-
17 ning no later than 30 days after the effective date
18 of this subtitle, the Secretary shall accept applica-
19 tions for enrollment of vessels in the Fleet.

20 (2) ACTION ON APPLICATIONS.—Within 90
21 days after receipt of an application for enrollment of
22 a vessel in the Fleet, the Secretary shall enter into
23 an operating agreement with the applicant or pro-
24 vide in writing the reason for denial of that applica-
25 tion.

1 (c) PRIORITY FOR AWARDING AGREEMENTS.—

2 (1) IN GENERAL.—Subject to the availability of
3 appropriations, the Secretary shall enter into oper-
4 ating agreements according to the following priority:

5 (A) NEW TANK VESSELS.—First, for any
6 tank vessel that—

7 (i) is constructed in the United States
8 after the effective date of this subtitle;

9 (ii) is eligible to be included in the
10 Fleet under section 3511(b); and

11 (iii) during the period of an operating
12 agreement under this subtitle that applies
13 to the vessel, will be owned and operated
14 by one or more persons that are citizens of
15 the United States under section 2 of the
16 Shipping Act, 1916 (46 App. U.S.C. 802),
17 except that the Secretary shall not enter into
18 operating agreements under this subparagraph
19 for more than 5 such vessels.

20 (B) FORMER PARTICIPATING VESSELS.—

21 Second, to the extent amounts are available
22 after applying subparagraphs (A), for any
23 former participating fleet vessel, except that the
24 Secretary shall not enter into operating agree-

1 ments under this subparagraph for more than
2 47 vessels.

3 (C) CERTAIN VESSELS OPERATED BY SEC-
4 TION 2 CITIZENS.—Third, to the extent
5 amounts are available after applying subpara-
6 graphs (A) and (B), for any other vessel that
7 is eligible to be included in the Fleet under sec-
8 tion 3511(b), and that, during the period of an
9 operating agreement under this subtitle that
10 applies to the vessel, will be—

11 (i) owned and operated by one or
12 more persons that are citizens of the
13 United States under section 2 of the Ship-
14 ping Act, 1916 (46 App. U.S.C. 802); or

15 (ii) owned by a person that is eligible
16 to document the vessel under chapter 121
17 of title 46, United States Code, and oper-
18 ated by a person that is a citizen of the
19 United States under section 2 of the Ship-
20 ping Act, 1916 (46 App. U.S.C. 802).

21 (D) OTHER ELIGIBLE VESSELS.—Fourth,
22 to the extent amounts are available after apply-
23 ing subparagraphs (A), (B), and (C), for any
24 other vessel that is eligible to be included in the
25 Fleet under section 3511(b).

1 (2) REDUCTION IN NUMBER OF SLOTS FOR
2 FORMER PARTICIPATING FLEET VESSELS.—The
3 number in paragraph (1)(B) shall be reduced by 1—

4 (A) for each former participating fleet ves-
5 sel for which an application for enrollment in
6 the Fleet is not received by the Secretary within
7 the 90-day period beginning on the effective
8 date of this subtitle; and

9 (B) for each former participating fleet ves-
10 sel for which an application for enrollment in
11 the Fleet received by the Secretary is not ap-
12 proved by the Secretary of Defense within the
13 90-day period beginning on the date of such re-
14 ceipt.

15 (3) DISCRETION WITHIN PRIORITY.—The Sec-
16 retary—

17 (A) subject to subparagraph (B), may
18 award operating agreements within each pri-
19 ority under paragraph (1) as the Secretary con-
20 siders appropriate; and

21 (B) shall award operating agreement with-
22 in a priority—

23 (i) in accordance with operational re-
24 quirements specified by the Secretary of
25 Defense; and

1 (ii) subject to the approval of the Sec-
2 retary of Defense.

3 (4) TREATMENT OF TANK VESSEL TO BE RE-
4 PLACED.—(A) For purposes of the application of
5 paragraph (1)(A) with respect to the award of an
6 operating agreement, the Secretary may treat an ex-
7 isting tank vessel that is eligible to be included in
8 the Fleet under section 3511(b) as a vessel that is
9 constructed in the United States after the effective
10 date of this subtitle, if—

11 (i) a binding contract for construction in
12 the United States of a replacement vessel to be
13 operated under the operating agreement is exe-
14 cuted by not later than 9 months after the first
15 date amounts are available to carry out this
16 subtitle; and

17 (ii) the replacement vessel is eligible to be
18 included in the Fleet under section 3511(b).

19 (B) No payment under this subtitle may be
20 made for an existing tank vessel for which an oper-
21 ating agreement is awarded under this paragraph
22 after the earlier of—

23 (i) 4 years after the first date amounts are
24 available to carry out this subtitle; or

1 (ii) the date of delivery of the replacement
2 tank vessel.

3 (d) LIMITATION.—The Secretary may not award op-
4 erating agreements under this subtitle that require pay-
5 ments under section 3515 for a fiscal year for more than
6 60 vessels.

7 **SEC. 3513. EFFECTIVENESS OF OPERATING AGREEMENTS.**

8 (a) EFFECTIVENESS, GENERALLY.—The Secretary
9 may enter into an operating agreement under this subtitle
10 for fiscal year 2006. Except as provided in subsection (b),
11 the agreement shall be effective only for 1 fiscal year, but
12 shall be renewable, subject to the availability of appropria-
13 tions, for each subsequent fiscal year through the end of
14 fiscal year 2015.

15 (b) VESSELS UNDER CHARTER TO U.S.—Unless an
16 earlier date is requested by the applicant, the effective
17 date for an operating agreement with respect to a vessel
18 that is, on the date of entry into an operating agreement,
19 on charter to the United States Government, other than
20 a charter pursuant to an Emergency Preparedness Agree-
21 ment under section 3516, shall be the expiration or termi-
22 nation date of the Government charter covering the vessel,
23 or any earlier date the vessel is withdrawn from that char-
24 ter.

25 (c) TERMINATION.—

1 (1) IN GENERAL.—If the contractor with re-
2 spect to an operating agreement fails to comply with
3 the terms of the agreement—

4 (A) the Secretary shall terminate the oper-
5 ating agreement; and

6 (B) any budget authority obligated by the
7 agreement shall be available to the Secretary to
8 carry out this subtitle.

9 (2) EARLY TERMINATION.—An operating agree-
10 ment under this subtitle shall terminate on a date
11 specified by the contractor if the contractor notifies
12 the Secretary, by not later than 60 days before the
13 effective date of the termination, that the contractor
14 intends to terminate the agreement.

15 (d) NONRENEWAL FOR LACK OF FUNDS.—

16 (1) NOTIFICATION OF CONGRESS.—If, by the
17 first day of a fiscal year, sufficient funds have not
18 been appropriated under the authority provided by
19 this subtitle for that fiscal year, then the Secretary
20 shall notify the Congress that operating agreements
21 authorized under this subtitle for which sufficient
22 funds are not available will not be renewed for that
23 fiscal year if sufficient funds are not appropriated by
24 the 60th day of that fiscal year.

1 (2) RELEASE OF VESSELS FROM OBLIGA-
2 TIONS.—If funds are not appropriated under the au-
3 thority provided by this subtitle for any fiscal year
4 by the 60th day of that fiscal year, then each vessel
5 covered by an operating agreement under this sub-
6 title for which funds are not available—

7 (A) is thereby released from any further
8 obligation under the operating agreement;

9 (B) the owner or operator of the vessel
10 may transfer and register such vessel under a
11 foreign registry that is acceptable to the Sec-
12 retary of Transportation and the Secretary of
13 Defense, notwithstanding section 9 of the Ship-
14 ping Act, 1916 (46 App. U.S.C. 808); and

15 (C) if section 902 of the Merchant Marine
16 Act, 1936 (46 App. U.S.C. 1242) is applicable
17 to such vessel after registration of the vessel
18 under such a registry, then the vessel is avail-
19 able to be requisitioned by the Secretary of
20 Transportation pursuant to section 902 of such
21 Act.

1 **SEC. 3514. OBLIGATIONS AND RIGHTS UNDER OPERATING**
2 **AGREEMENTS.**

3 (a) OPERATION OF VESSEL.—An operating agree-
4 ment under this subtitle shall require that, during the pe-
5 riod a vessel is operating under the agreement—

6 (1) the vessel—

7 (A) shall be operated exclusively in the for-
8 eign commerce or in mixed foreign commerce
9 and domestic trade allowed under a registry en-
10 dorsement issued under section 12105 of title
11 46, United States Code; and

12 (B) shall not otherwise be operated in the
13 coastwise trade; and

14 (2) the vessel shall be documented under chap-
15 ter 121 of title 46, United States Code.

16 (b) ANNUAL PAYMENTS BY SECRETARY.—

17 (1) IN GENERAL.—An operating agreement
18 under this subtitle shall require, subject to the avail-
19 ability of appropriations, that the Secretary make a
20 payment each fiscal year to the contractor in accord-
21 ance with section 3515.

22 (2) OPERATING AGREEMENT IS OBLIGATION OF
23 UNITED STATES GOVERNMENT.—An operating
24 agreement under this subtitle constitutes a contrac-
25 tual obligation of the United States Government to

1 pay the amounts provided for in the agreement to
2 the extent of actual appropriations.

3 (c) DOCUMENTATION REQUIREMENT.—Each vessel
4 covered by an operating agreement (including an agree-
5 ment terminated under section 3513(c)(2)) shall remain
6 documented under chapter 121 of title 46, United States
7 Code, until the date the operating agreement would termi-
8 nate according to its terms.

9 (d) NATIONAL SECURITY REQUIREMENTS.—

10 (1) IN GENERAL.—A contractor with respect to
11 an operating agreement (including an agreement ter-
12 minated under section 3513(c)(2)) shall continue to
13 be bound by the provisions of section 3516 until the
14 date the operating agreement would terminate ac-
15 cording to its terms.

16 (2) EMERGENCY PREPAREDNESS AGREE-
17 MENT.—All terms and conditions of an Emergency
18 Preparedness Agreement entered into under section
19 3516 shall remain in effect until the date the oper-
20 ating agreement would terminate according to its
21 terms, except that the terms of such Emergency
22 Preparedness Agreement may be modified by the
23 mutual consent of the contractor and the Secretary
24 of Transportation and the Secretary of Defense.

1 (e) TRANSFER OF OPERATING AGREEMENTS.—A
2 contractor under an operating agreement may transfer the
3 agreement (including all rights and obligations under the
4 agreement) to any person that is eligible to enter into that
5 operating agreement under this subtitle, if the transfer is
6 approved by the Secretary and the Secretary of Defense.

7 **SEC. 3515. PAYMENTS.**

8 (a) ANNUAL PAYMENT.—

9 (1) IN GENERAL.—The Secretary, subject to
10 the availability of appropriations and the other pro-
11 visions of this section, shall pay to the contractor for
12 an operating agreement, for each vessel that is cov-
13 ered by the operating agreement, an amount equal
14 to—

15 (A) \$2,600,000 for each of fiscal years
16 2006 and 2007, and

17 (B) such amount, not less than
18 \$2,600,000, for each fiscal year thereafter for
19 which the agreement is in effect as the Sec-
20 retary, with the concurrence of the Secretary of
21 Defense, considers to be necessary to meet the
22 operational requirements of the Secretary of
23 Defense.

24 (2) TIMING.—The amount shall be paid in
25 equal monthly installments at the end of each

1 month. The amount shall not be reduced except as
2 provided by this section.

3 (b) CERTIFICATION REQUIRED FOR PAYMENT.—As
4 a condition of receiving payment under this section for a
5 fiscal year for a vessel, the contractor for the vessel shall
6 certify, in accordance with regulations issued by the Sec-
7 retary, that the vessel has been and will be operated in
8 accordance with section 3514(a)(1) for at least 320 days
9 in the fiscal year. Days during which the vessel is
10 drydocked, surveyed, inspected, or repaired shall be con-
11 sidered days of operation for purposes of this subsection.

12 (c) LIMITATIONS.—The Secretary of Transportation
13 shall not make any payment under this subtitle for a ves-
14 sel with respect to any days for which the vessel is—

15 (1) under a charter to the United States Gov-
16 ernment, other than a charter pursuant to an Emer-
17 gency Preparedness Agreement under section 3516;

18 (2) not operated or maintained in accordance
19 with an operating agreement under this subtitle; or

20 (3) more than—

21 (A) 25 years of age, except as provided in
22 subparagraph (B) or (C);

23 (B) 20 years of age, in the case of a tank
24 vessel; or

1 (C) 30 years of age, in the case of a LASH
2 vessel.

3 (d) REDUCTIONS IN PAYMENTS.—With respect to
4 payments under this subtitle for a vessel covered by an
5 operating agreement, the Secretary—

6 (1) except as provided in paragraph (2), shall
7 not reduce any payment for the operation of the ves-
8 sel to carry military or other preference cargoes
9 under section 2631 of title 10, United States Code,
10 the Act of March 26, 1934 (46 App. U.S.C. 1241–
11 1), section 901(a), 901(b), or 901b of the Merchant
12 Marine Act, 1936 (46 App. U.S.C. 1241(a),
13 1241(b), or 1241f), or any other cargo preference
14 law of the United States;

15 (2) shall not make any payment for any day
16 that the vessel is engaged in transporting more than
17 7,500 tons of civilian bulk preference cargoes pursu-
18 ant to section 901(a), 901(b), or 901b of the Mer-
19 chant Marine Act, 1936 (46 App. U.S.C. 1241(a),
20 1241(b), or 1241f), that is cargo; and

21 (3) shall make a pro rata reduction in payment
22 for each day less than 320 in a fiscal year that the
23 vessel is not operated in accordance with section
24 3514(a)(1), with days during which the vessel is
25 drydocked or undergoing survey, inspection, or re-

1 pair considered to be days on which the vessel is op-
2 erated.

3 **SEC. 3516. NATIONAL SECURITY REQUIREMENTS.**

4 (a) EMERGENCY PREPAREDNESS AGREEMENT RE-
5 QUIRED.—The Secretary shall establish an Emergency
6 Preparedness Program under this section that is approved
7 by the Secretary of Defense. Under the program, the Sec-
8 retary shall include in each operating agreement under
9 this subtitle a requirement that the contractor enter into
10 an Emergency Preparedness Agreement under this section
11 with the Secretary. The Secretary shall negotiate and
12 enter into an Emergency Preparedness Agreement with
13 each contractor as promptly as practicable after the con-
14 tractor has entered into an operating agreement under
15 this subtitle.

16 (b) TERMS OF AGREEMENT.—

17 (1) IN GENERAL.—An Emergency Preparedness
18 Agreement under this section shall require that upon
19 a request by the Secretary of Defense during time
20 of war or national emergency, or whenever deter-
21 mined by the Secretary of Defense to be necessary
22 for national security or contingency operation (as
23 that term is defined in section 101 of title 10,
24 United States Code), a contractor for a vessel cov-
25 ered by an operating agreement under this subtitle

1 shall make available commercial transportation re-
2 sources (including services).

3 (2) BASIC TERMS.—(A) The basic terms of the
4 Emergency Preparedness Agreement shall be estab-
5 lished (subject to subparagraph (B)) pursuant to
6 consultations among the Secretary and the Secretary
7 of Defense.

8 (B) In any Emergency Preparedness Agree-
9 ment, the Secretary and a contractor may agree to
10 additional or modifying terms appropriate to the
11 contractor's circumstances if those terms have been
12 approved by the Secretary of Defense.

13 (c) PARTICIPATION AFTER EXPIRATION OF OPER-
14 ATING AGREEMENT.—Except as provided by section
15 3514(c), the Secretary may not require, through an Emer-
16 gency Preparedness Agreement or operating agreement,
17 that a contractor continue to participate in an Emergency
18 Preparedness Agreement after the operating agreement
19 with the contractor has expired according to its terms or
20 is otherwise no longer in effect. After expiration of an
21 Emergency Preparedness Agreement, a contractor may
22 volunteer to continue to participate in such an agreement.

23 (d) RESOURCES MADE AVAILABLE.—The commercial
24 transportation resources to be made available under an
25 Emergency Preparedness Agreement shall include vessels

1 or capacity in vessels, intermodal systems and equipment,
2 terminal facilities, intermodal and management services,
3 and other related services, or any agreed portion of such
4 nonvessel resources for activation as the Secretary of De-
5 fense may determine to be necessary, seeking to minimize
6 disruption of the contractor's service to commercial ship-
7 pers.

8 (e) COMPENSATION.—

9 (1) IN GENERAL.—The Secretary shall include
10 in each Emergency Preparedness Agreement provi-
11 sions approved by the Secretary of Defense under
12 which the Secretary of Defense shall pay fair and
13 reasonable compensation for all commercial trans-
14 portation resources provided pursuant to this sec-
15 tion.

16 (2) SPECIFIC REQUIREMENTS.—Compensation
17 under this subsection—

18 (A) shall not be less than the contractor's
19 commercial market charges for like transpor-
20 tation resources;

21 (B) shall be fair and reasonable consid-
22 ering all circumstances;

23 (C) shall be provided from the time that a
24 vessel or resource is required by the Secretary
25 of Defense until the time that it is redelivered

1 to the contractor and is available to reenter
2 commercial service; and

3 (D) shall be in addition to and shall not in
4 any way reflect amounts payable under section
5 3515.

6 (f) TEMPORARY REPLACEMENT VESSELS.—Notwith-
7 standing section 2631 of title 10, United States Code, the
8 Act of March 26, 1934 (46 App. U.S.C. 1241–1), section
9 901(a), 901(b), or 901b of the Merchant Marine Act,
10 1936 (46 App. U.S.C. 1241(a), 1241(b), or 1241f), or any
11 other cargo preference law of the United States—

12 (1) a contractor may operate or employ in for-
13 eign commerce a foreign-flag vessel or foreign-flag
14 vessel capacity as a temporary replacement for a
15 United States-documented vessel or United States-
16 documented vessel capacity that is activated by the
17 Secretary of Defense under an Emergency Prepared-
18 ness Agreement or under a primary Department of
19 Defense-approved sealift readiness program; and

20 (2) such replacement vessel or vessel capacity
21 shall be eligible during the replacement period to
22 transport preference cargoes subject to section 2631
23 of title 10, United States Code, the Act of March
24 26, 1934 (46 App. U.S.C. 1241–1), and sections
25 901(a), 901(b), and 901b of the Merchant Marine

1 Act, 1936 (46 App. U.S.C. 1241(a), 1241(b), and
2 1241b) to the same extent as the eligibility of the
3 vessel or vessel capacity replaced.

4 (g) REDELIVERY AND LIABILITY OF UNITED STATES
5 FOR DAMAGES.—

6 (1) IN GENERAL.—All commercial transpor-
7 tation resources activated under an Emergency Pre-
8 paredness Agreement shall, upon termination of the
9 period of activation, be redelivered to the contractor
10 in the same good order and condition as when re-
11 ceived, less ordinary wear and tear, or the Secretary
12 of Defense shall fully compensate the contractor for
13 any necessary repair or replacement.

14 (2) LIMITATION ON LIABILITY OF U.S.—Except
15 as may be expressly agreed to in an Emergency Pre-
16 paredness Agreement, or as otherwise provided by
17 law, the Government shall not be liable for disrup-
18 tion of a contractor's commercial business or other
19 consequential damages to a contractor arising from
20 activation of commercial transportation resources
21 under an Emergency Preparedness Agreement.

22 **SEC. 3517. REGULATORY RELIEF.**

23 (a) OPERATION IN FOREIGN COMMERCE.—A con-
24 tractor for a vessel included in an operating agreement

1 under this subtitle may operate the vessel in the foreign
2 commerce of the United States without restriction.

3 (b) OTHER RESTRICTIONS.—The restrictions of sec-
4 tion 901(b)(1) of the Merchant Marine Act, 1936 (46
5 App. U.S.C. 1241(b)(1)) concerning the building, rebuild-
6 ing, or documentation of a vessel in a foreign country shall
7 not apply to a vessel for any day the operator of that ves-
8 sel is receiving payments for operation of that vessel under
9 an operating agreement under this subtitle.

10 (c) TELECOMMUNICATIONS EQUIPMENT.—The tele-
11 communications and other electronic equipment on an ex-
12 isting vessel that is redocumented under the laws of the
13 United States for operation under an operating agreement
14 under this subtitle shall be deemed to satisfy all Federal
15 Communications Commission equipment certification re-
16 quirements, if—

17 (1) such equipment complies with all applicable
18 international agreements and associated guidelines
19 as determined by the country in which the vessel
20 was documented immediately before becoming docu-
21 mented under the laws of the United States;

22 (2) that country has not been identified by the
23 Secretary as inadequately enforcing international
24 regulations as to that vessel; and

1 (3) at the end of its useful life, such equipment
2 will be replaced with equipment that meets Federal
3 Communications Commission equipment certification
4 standards.

5 **SEC. 3518. SPECIAL RULE REGARDING AGE OF FORMER**
6 **PARTICIPATING FLEET VESSEL.**

7 Sections 3511(b)(3) and 3515(c)(3) shall not apply
8 to a former participating fleet vessel described in section
9 3502(5)(A), during the 30-month period referred to in
10 section 3502(5)(B)(v) with respect to the vessel, if the
11 Secretary determines that the contractor for the vessel has
12 entered into an arrangement to obtain and operate under
13 the operating agreement for the former participating fleet
14 vessel a replacement vessel that, upon commencement of
15 such operation, will be eligible to be included in the Fleet
16 under section 3511(b).

17 **SEC. 3519. AUTHORIZATION OF APPROPRIATIONS.**

18 There are authorized to be appropriated for payments
19 under section 3515, to remain available until expended,
20 \$156,000,000 for each of fiscal years 2006 and 2007, and
21 such sums as may be necessary for each fiscal year there-
22 after through fiscal year 2015.

23 **SEC. 3520. AMENDMENT TO SHIPPING ACT, 1916.**

24 Section 9 of the Shipping Act, 1916 (46 App. U.S.C.
25 808) is amended by redesignating the second subsection

1 (e) as subsection (f), and by adding at the end the fol-
2 lowing:

3 “(g) Notwithstanding subsection (c)(2), the Merchant
4 Marine Act, 1936, or any contract entered into with the
5 Secretary of Transportation under that Act, a vessel may
6 be placed under a foreign registry, without approval of the
7 Secretary, if—

8 “(1)(A) the Secretary, with the concurrence of
9 the Secretary of Defense, determines that at least
10 one replacement vessel of like capability and of a ca-
11 pacity that is equivalent or greater, as measured by
12 deadweight tons, gross tons, or container equivalent
13 units, as appropriate, is documented under chapter
14 121 of title 46, United States Code, by the owner
15 of the vessel placed under the foreign registry; and

16 “(B) the replacement vessel is not more than
17 10 years of age on the date of that documentation;
18 and

19 “(2) an operating agreement covering the vessel
20 under the Maritime Security Act of 2003 has ex-
21 pired.”.

22 **SEC. 3521. REGULATIONS.**

23 (a) IN GENERAL.—The Secretary of Transportation
24 and the Secretary of Defense may each prescribe rules as

1 necessary to carry out this subtitle and the amendments
2 made by this subtitle.

3 (b) INTERIM RULES.—The Secretary of Transpor-
4 tation and the Secretary of Defense may each prescribe
5 interim rules necessary to carry out this subtitle and the
6 amendments made by this subtitle. For this purpose, the
7 Secretaries are excepted from compliance with the notice
8 and comment requirements of section 553 of title 5,
9 United States Code. All interim rules prescribed under the
10 authority of this subsection that are not earlier superseded
11 by final rules shall expire no later than 270 days after
12 the effective date of this subtitle.

13 **SEC. 3522. REPEALS AND CONFORMING AMENDMENTS.**

14 (a) REPEALS.—The following provisions are repealed:

15 (1) Subtitle B of title VI of the Merchant Ma-
16 rine Act, 1936 (46 App. U.S.C. 1187 et seq.).

17 (2) Section 804 of the Merchant Marine Act,
18 1936 (46 App. U.S.C. 1222).

19 (b) CONFORMING AMENDMENT.—Section
20 12102(d)(4) of title 46, United States Code, is amended
21 by inserting “or section 3511(b) of the Maritime Security
22 Act of 2003” after “Merchant Marine Act, 1936”.

23 **SEC. 3523. EFFECTIVE DATES.**

24 (a) IN GENERAL.—Except as provided in subsections

25 (b) and (c), this subtitle shall take effect October 1, 2004.

1 (b) REPEALS AND CONFORMING AMENDMENTS.—

2 Section 3522 shall take effect October 1, 2005.

3 (c) REGULATIONS.—Section 3521 and this section

4 shall take effect on the date of the enactment of this Act.

5 **Subtitle C—National Defense Tank**
6 **Vessel Construction Assistance**

7 **SEC. 3531. NATIONAL DEFENSE TANK VESSEL CONSTRUC-**
8 **TION PROGRAM.**

9 The Secretary of Transportation shall establish a
10 program for the provision of financial assistance for the
11 construction in the United States of a fleet of up to 5
12 privately owned product tank vessels—

13 (1) to be operated in commercial service in for-
14 eign commerce; and

15 (2) to be available for national defense purposes
16 in time of war or national emergency pursuant to an
17 Emergency Preparedness Plan approved by the Sec-
18 retary of Defense pursuant to section 3533(e) of this
19 subtitle.

20 **SEC. 3532. APPLICATION PROCEDURE. –**

21 (a) REQUEST FOR PROPOSALS.—Within 90 days
22 after the date of the enactment of this subtitle, and on
23 an as-needed basis thereafter, the Secretary, in consulta-
24 tion with the Secretary of Defense, shall publish in the
25 Federal Register a request for competitive proposals for

1 the construction of new product tank vessels necessary to
2 meet the commercial and national security needs of the
3 United States and to be built with assistance under this
4 subtitle.

5 (b) QUALIFICATION.—Any citizen of the United
6 States or any shipyard in the United States may submit
7 a proposal to the Secretary of Transportation for purposes
8 of constructing a product tank vessel with assistance
9 under this subtitle.

10 (c) REQUIREMENT.—The Secretary, with the concur-
11 rence of the Secretary of Defense, may enter into an
12 agreement with the submitter of a proposal for assistance
13 under this subtitle if the Secretary determines that—

14 (1) the plans and specifications call for con-
15 struction of a new product tank vessel of not less
16 than 35,000 deadweight tons and not greater than
17 60,000 deadweight tons, that—

18 (A) will meet the requirements of foreign
19 commerce;

20 (B) is capable of carrying militarily useful
21 petroleum products, and will be suitable for na-
22 tional defense or military purposes in time of
23 war, national emergency, or other military con-
24 tingency; and

1 (C) will meet the construction standards
2 necessary to be documented under the laws of
3 the United States;

4 (2) the shipyard in which the vessel will be con-
5 structed has the necessary capacity and expertise to
6 successfully construct the proposed number and type
7 of product tank vessels in a reasonable period of
8 time as determined by the Secretary of Transpor-
9 tation, taking into consideration the recent prior
10 commercial shipbuilding history of the proposed
11 shipyard in delivering a vessel or series of vessels on
12 time and in accordance with the contract price and
13 specifications; and

14 (3) the person proposed to be the operator of
15 the proposed vessel possesses the ability, experience,
16 financial resources, and any other qualifications de-
17 termined to be necessary by the Secretary for the
18 operation and maintenance of the vessel.

19 (d) PRIORITY.—The Secretary—

20 (1) subject to paragraph (2), shall give priority
21 consideration to a proposal submitted by a person
22 that is a citizen of the United States under section
23 2 of the Shipping Act, 1916 (46 App. U.S.C. 802);
24 and

1 (2) may give priority to consideration of pro-
2 posals that provide the best value to the Govern-
3 ment, taking into consideration—

4 (A) the costs of vessel construction; and

5 (B) the commercial and national security
6 needs of the United States.

7 **SEC. 3533. AWARD OF ASSISTANCE.**

8 (a) IN GENERAL.—If after review of a proposal, the
9 Secretary determines that the proposal fulfills the require-
10 ments under this subtitle, the Secretary may enter into
11 a contract with the proposed purchaser and the proposed
12 shipyard for the construction of a product tank vessel with
13 assistance under this subtitle.

14 (b) AMOUNT OF ASSISTANCE.—The contract shall
15 provide that the Secretary shall pay, subject to the avail-
16 ability of appropriations, up to 75 percent of the actual
17 construction cost of the vessel, but in no case more than
18 \$50,000,000 per vessel.

19 (c) CONSTRUCTION IN UNITED STATES.—A contract
20 under this section shall require that construction of a ves-
21 sel with assistance under this subtitle shall be performed
22 in a shipyard in the United States.

23 (d) DOCUMENTATION OF VESSEL.—

24 (1) CONTRACT REQUIREMENT.—A contract
25 under this section shall require that, upon delivery

1 of a vessel constructed with assistance under the
2 contract, the vessel shall be documented under chap-
3 ter 121 of title 46, United States Code with a reg-
4 istry endorsement only.

5 (2) RESTRICTION ON COASTWISE ENDORSE-
6 MENT.—A vessel constructed with assistance under
7 this subtitle shall not be eligible for a certificate of
8 documentation with a coastwise endorsement.

9 (3) AUTHORITY TO REFLAG NOT APPLICA-
10 BLE.—Section 9(g) of the Shipping Act, 1916, (46
11 App. U.S.C. 808(g)) shall not apply to a vessel con-
12 structed with assistance under this subtitle.

13 (e) EMERGENCY PREPAREDNESS AGREEMENT.—

14 (1) IN GENERAL.—A contract under this sec-
15 tion shall require that the person who will be the op-
16 erator of a vessel constructed with assistance under
17 the contract shall enter into an Emergency Pre-
18 paredness Agreement for the vessel under section
19 3516.

20 (2) TREATMENT AS CONTRACTOR.—For pur-
21 poses of the application, under paragraph (1), of
22 section 3516 to a vessel constructed with assistance
23 under this subtitle, the term “contractor” as used in
24 section 3516 means the person who will be the oper-

1 ator of a vessel constructed with assistance under
2 this subtitle.

3 (f) **ADDITIONAL TERMS.**—The Secretary shall incor-
4 porate in the contract the requirements set forth in this
5 subtitle, and may incorporate in the contract any addi-
6 tional terms the Secretary considers necessary.

7 **SEC. 3534. PRIORITY FOR TITLE XI ASSISTANCE.**

8 Section 1103 of the Merchant Marine Act, 1936 (46
9 App. U.S.C. 1273) is amended by adding at the end the
10 following:

11 “(i) **PRIORITY.**—In guaranteeing and entering com-
12 mitments to guarantee under this section, the Secretary
13 shall give priority to guarantees and commitments for ves-
14 sels that are otherwise eligible for a guarantee under this
15 section and that are constructed with assistance under
16 subtitle C of the Maritime Security Act of 2003.”.

17 **SEC. 3535. AUTHORIZATION OF APPROPRIATIONS.**

18 There are authorized to be appropriated to the Sec-
19 retary to carry out this subtitle a total of \$250,000,000
20 for fiscal years after fiscal year 2004.

**Subtitle D—Maritime
Administration Authorization**

**SEC. 3541. AUTHORIZATION OF APPROPRIATIONS FOR MAR-
ITIME ADMINISTRATION FOR FISCAL YEAR
2004.**

Funds are hereby authorized to be appropriated for fiscal year 2004, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, \$104,400,000, of which \$13,000,000 is for capital improvements at the United States Merchant Marine Academy.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), \$39,498,000, of which—

(A) \$35,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) \$4,498,000 is for administrative expenses related to loan guarantee commitments under the program.

1 (3) For expenses to dispose of obsolete vessels
2 in the National Defense Reserve Fleet, \$20,000,000.

3 **SEC. 3542. AUTHORITY TO CONVEY VESSEL USS HOIST**
4 **(ARS-40).**

5 (a) IN GENERAL.—Notwithstanding any other law,
6 the Secretary of Transportation may convey the right,
7 title, and interest of the United States Government in and
8 to the vessel USS HOIST (ARS-40), to the Last Patrol
9 Museum, located in Toledo, Ohio (a not-for-profit corpora-
10 tion, in this section referred to as the “recipient”), for
11 use as a military museum, if—

12 (1) the recipient agrees to use the vessel as a
13 nonprofit military museum;

14 (2) the vessel is not used for commercial trans-
15 portation purposes;

16 (3) the recipient agrees to make the vessel
17 available to the Government when the Secretary re-
18 quires use of the vessel by the Government;

19 (4) the recipient agrees that when the recipient
20 no longer requires the vessel for use as a military
21 museum—

22 (A) the recipient will, at the discretion of
23 the Secretary, reconvey the vessel to the Gov-
24 ernment in good condition except for ordinary
25 wear and tear; or

1 (B) if the Board of Trustees of the recipi-
2 ent has decided to dissolve the recipient accord-
3 ing to the laws of the State of New York,
4 then—

5 (i) the recipient shall distribute the
6 vessel, as an asset of the recipient, to a
7 person that has been determined exempt
8 from taxation under the provisions of sec-
9 tion 501(c)(3) of the Internal Revenue
10 Code, or to the Federal Government or a
11 State or local government for a public pur-
12 pose; and

13 (ii) the vessel shall be disposed of by
14 a court of competent jurisdiction of the
15 county in which the principal office of the
16 recipient is located, for such purposes as
17 the court shall determine, or to such orga-
18 nizations as the court shall determine are
19 organized exclusively for public purposes;

20 (5) the recipient agrees to hold the Government
21 harmless for any claims arising from exposure to as-
22 bestos, polychlorinated biphenyls, or lead paint after
23 conveyance of the vessel, except for claims arising
24 from use by the Government under paragraph (3) or
25 (4); and

1 (6) the recipient has available, for use to re-
2 store the vessel, in the form of cash, liquid assets,
3 or a written loan commitment, financial resources of
4 at least \$100,000.

5 (b) DELIVERY OF VESSEL.—If a conveyance is made
6 under this section, the Secretary shall deliver the vessel
7 at the place where the vessel is located on the date of en-
8 actment of this Act, in its present condition, and without
9 cost to the Government.

10 (c) OTHER UNNEEDED EQUIPMENT.—The Secretary
11 may also convey any unneeded equipment from other ves-
12 sels in the National Defense Reserve Fleet in order to re-
13 store the USS HOIST (ARS-40) to museum quality.

14 (d) RETENTION OF VESSEL IN NDRF.—

15 (1) IN GENERAL.—The Secretary shall retain in
16 the National Defense Reserve Fleet the vessel au-
17 thorized to be conveyed under subsection (a), until
18 the earlier of—

19 (A) 2 years after the date of the enactment
20 of this Act; or

21 (B) the date of conveyance of the vessel
22 under subsection (a).

23 (2) LIMITATION.—Paragraph (1) does not re-
24 quire the Secretary to retain the vessel in the Na-
25 tional Defense Reserve Fleet if the Secretary deter-

1 mines that retention of the vessel in the fleet will
2 pose an unacceptable risk to the marine environ-
3 ment.

4 **SEC. 3543. AUTHORITY TO CONVEY NDRF VESSELS AND**
5 **VESSEL CONTENTS.**

6 (a) IN GENERAL.—Notwithstanding any other law,
7 the Secretary of Transportation may convey the right,
8 title, and interest of the United States Government in and
9 to any or all of the vessels USS ORION (AS-18), USS
10 HOWARD W. GILMORE (AS-16), USS SPERRY (AS-
11 12), USS NEREUS (AS-17), USS PROTEUS (XAS-
12 19), and S.S. HATTIESBURG VICTORY (number
13 248651), a barge and its inventoried contents (YFNB 4,
14 also known as SSE-512), and the contents (Victory class
15 spares) that have been removed from the S.S. CATAWBA
16 VICTORY, to Beauchamp Tower Corporation (a not-for-
17 profit corporation, in this section referred to as the “re-
18 cipient”) for use as moored support ships for the corpora-
19 tion and as memorials to the Fulton class ships and the
20 Victory class ships, if—

21 (1) the vessel is not used for commercial trans-
22 portation purposes;

23 (2) the recipient agrees to make the vessel
24 available to the Government when the Secretary re-
25 quires use of the vessel by the Government;

1 (3) the recipient agrees that when the recipient
2 no longer requires the vessel for use as a moored
3 support ship for the corporation and as a memorial
4 to the Fulton class ships and the Victory class
5 ships—

6 (A) the recipient shall, at the discretion of
7 the Secretary, reconvey the vessel to the Gov-
8 ernment in good condition except for ordinary
9 wear and tear; or

10 (B) if the Board of Trustees of the recipi-
11 ent has decided to dissolve the recipient accord-
12 ing to the laws of the State of Florida, then—

13 (i) the recipient shall distribute the
14 vessel, as an asset of the recipient, to a
15 person that has been determined exempt
16 from taxation under section 501(c)(3) of
17 the Internal Revenue Code, or to the Fed-
18 eral Government or a State or local gov-
19 ernment for a public purpose; and

20 (ii) the vessel shall be disposed of by
21 a court of competent jurisdiction of the
22 county in which the principal office of the
23 recipient is located, for such purposes as
24 the court shall determine, or to such orga-

1 nizations as the court shall determine are
2 organized exclusively for public purposes;

3 (4) the recipient agrees to hold the Government
4 harmless for any claims arising from exposure to as-
5 bestos after conveyance of the vessel, except for
6 claims arising from use by the Government under
7 paragraph (2) or (3); and

8 (5) the recipient has available, for use to re-
9 store the vessel, in the form of cash, liquid assets,
10 a written loan commitment, or financial resources—

11 (A) except as provided in subparagraph

12 (B), of at least \$1,500,000 for each vessel con-
13 veyed; and

14 (B) at least \$50,000 for each barge with
15 contents conveyed.

16 (b) DELIVERY OF VESSEL.—If a conveyance of a ves-
17 sel is made under this section, the Secretary shall deliver
18 the vessel at the place where the vessel is located on the
19 date of the enactment of this Act, in its present condition,
20 without cost to the Government.

21 (c) MANAGEMENT OF VESSELS PENDING CONVEY-
22 ANCE.—

23 (1) 2-YEAR HOLDING PERIOD.—The Secretary
24 shall remove all vessels authorized to be conveyed

1 under this section from the scrapping disposal list
2 for a period of 2 years.

3 (2) DISPOSAL AT END OF HOLDING PERIOD.—

4 If a vessel has not been received and transported
5 from its conveyance location by the recipient before
6 the end of such 2-year period, the Secretary may
7 dispose of the vessel as the Secretary determines to
8 be appropriate.

9 (3) DISPOSAL DURING HOLDING PERIOD.—Not-
10 withstanding paragraph (1), the Secretary may dis-
11 pose of a vessel authorized to be conveyed under this
12 section during the 2-year period provided for in
13 paragraph (1), if it is determined that the vessel is
14 in danger of sinking or presents an immediate crit-
15 ical hazard to the National Defense Reserve Fleet or
16 environmental safety.

17 (d) OTHER UNNEEDED EQUIPMENT.—The Secretary
18 may convey to the recipient any unneeded equipment, ma-
19 terials, and spares from other vessels or in storage with
20 the Maritime Administration and the National Defense
21 Reserve Fleet, for the recipient's use, including the res-
22 toration and refit of the vessels conveyed under this sec-
23 tion and to assist other vessel museums.

24 (e) RETENTION OF VESSEL IN NDRF.—The Sec-
25 retary shall retain in the National Defense Reserve Fleet

1 each vessel authorized to be conveyed under subsection

2 (a), until the earlier of—

3 (1) 2 years after the date of the enactment of

4 this Act; or

5 (2) the date of conveyance of the vessel under

6 subsection (a).

7 **TITLE XXXVI—NUCLEAR**
8 **SECURITY INITIATIVE**

9 **SEC. 3601. SHORT TITLE.**

10 This title may be cited as the “Nuclear Security Ini-
11 tiative Act of 2003”.

12 **Subtitle A—Nonproliferation**
13 **Program Enhancements**

14 **SEC. 3611. ESTABLISHMENT OF INTERNATIONAL NUCLEAR**

15 **MATERIALS PROTECTION AND COOPERATION**

16 **PROGRAM IN DEPARTMENT OF STATE.**

17 (a) POLICY WITH RESPECT TO FORMER SOVIET

18 UNION.—It is the policy of the United States to seek to

19 cooperate with the Russian Federation and each other

20 independent state of the former Soviet Union to effect as

21 quickly as is reasonably practical basic security measures

22 (such as the replacement of doors, the bricking of or place-

23 ment of bars in windows, the clearing of underbrush from

24 facility perimeters, and the erection of fences) at each fa-

25 cility in the Russian Federation and each such state that

1 is used for storing nuclear weapons or nuclear materials
2 and is not yet protected by such measures.

3 (b) POLICY WORLDWIDE.—It is the policy of the
4 United States to seek to cooperate with all appropriate
5 nations—

6 (1) to attempt to ensure that all nuclear weap-
7 ons and nuclear materials worldwide are secure and
8 accounted for according to stringent standards; and

9 (2) to minimize the number of facilities world-
10 wide at which separated plutonium and highly en-
11 riched uranium are present, so as to achieve the
12 highest and most sustainable levels of security for
13 such facilities in the most cost-effective manner.

14 (c) EXPANSION OF PROGRAM TO ADDITIONAL COUN-
15 TRIES AUTHORIZED.—(1) The Secretary of State may es-
16 tablish an international nuclear materials protection and
17 cooperation program with respect to countries other than
18 the Russian Federation and the other independent states
19 of the former Soviet Union.

20 (2) In carrying out such program, the Secretary of
21 State may provide such funds as are needed to remove
22 nuclear materials from potentially vulnerable facilities, in-
23 cluding funds to cover the costs of—

24 (A) transporting such materials from those fa-
25 cilities to secure facilities;

1 (B) purchasing such materials;

2 (C) converting those facilities to a use that no
3 longer requires nuclear materials; and

4 (D) providing incentives to facilitate the re-
5 moval of such materials from such facilities.

6 (3)(A) The Secretary of Energy may provide tech-
7 nical assistance to the Secretary of State in the efforts
8 of the Secretary of State, in carrying out the program,
9 to assist such countries to review and improve their secu-
10 rity programs with respect to nuclear weapons and nuclear
11 materials.

12 (B) The technical assistance provided under subpara-
13 graph (A) may, where consistent with the treaty obliga-
14 tions of the United States, include the sharing of tech-
15 nology or methodologies to the countries referred to in
16 that subparagraph. Any such sharing shall take into ac-
17 count the sovereignty of the country concerned and the
18 nuclear weapons programs of such country, as well as the
19 sensitivity of any information involved regarding United
20 States nuclear weapons or nuclear weapons systems.

21 (C) The Secretary of State may include the Russian
22 Federation in activities under this paragraph if the Sec-
23 retary determines that the experience of the Russian Fed-
24 eration under the International Nuclear Materials Protec-
25 tion and Cooperation program of the Department of En-

1 ergy would make the participation of the Russian Federa-
2 tion in those activities useful in providing technical assist-
3 ance under subparagraph (A).

4 **Subtitle B—Administration and**
5 **Oversight of Threat Reduction**
6 **and Nonproliferation Programs**

7 **SEC. 3621. ANALYSIS OF EFFECT ON THREAT REDUCTION**
8 **AND NONPROLIFERATION PROGRAMS OF**
9 **CONGRESSIONAL OVERSIGHT MEASURES**
10 **WITH RESPECT TO SUCH PROGRAMS.**

11 (a) ANALYSIS OF AND REPORT ON CONGRESSIONAL
12 OVERSIGHT MEASURES.—(1) The National Academy of
13 Sciences shall carry out an analysis of the effect on threat
14 reduction and nonproliferation programs of applicable con-
15 gressional oversight measures. The analysis shall take into
16 account—

17 (A) the national security interests of the United
18 States;

19 (B) the need for accountability in the expendi-
20 ture of funds by the United States;

21 (C) the effect of such congressional oversight
22 measures on the continuity and effectiveness of such
23 programs; and

24 (D) the oversight responsibilities of Congress
25 with respect to such programs.

1 (2) In carrying out the analysis, the National Acad-
2 emy of Sciences shall consult with the chairs and ranking
3 minority members of the Committees on Armed Services
4 of the Senate and the House of Representatives.

5 (b) REPORT.—Not later than November 1, 2004, the
6 National Academy of Sciences shall submit to Congress
7 a report on the analysis required by subsection (a). The
8 report shall—

9 (1) identify, and describe the purpose of, each
10 congressional oversight measure; and

11 (2) set forth such recommendations as the Na-
12 tional Academy of Sciences considers appropriate as
13 to whether the measure should be retained, amend-
14 ed, or repealed, together with the reasoning under-
15 lying that determination.

16 (c) DEFINITIONS.—In this section:

17 (1) the term “congressional oversight measure”
18 means—

19 (A) the restrictions in subsection (d) of
20 section 1203 of the Cooperative Threat Reduc-
21 tion Act of 1993 (22 U.S.C. 5952);

22 (B) the eligibility requirements in para-
23 graphs (1) through (4) of section 502 of the
24 FREEDOM Support Act (22 U.S.C. 5852);

1 (C) the prohibition in section 1305 of the
2 National Defense Authorization Act for Fiscal
3 Year 2000 (Public Law 106–65; 113 Stat. 512;
4 22 U.S.C. 5952 note); and

5 (D) any restriction or prohibition on the
6 use of funds otherwise available for threat re-
7 duction and nonproliferation programs that ap-
8 plies absent the submission to Congress (or any
9 one or more officers or committees of Congress)
10 of a report, certification, or other matter.

11 (2) The term “threat reduction and non-
12 proliferation programs” means—

13 (A) the programs specified in section
14 1501(b) of the National Defense Authorization
15 Act for Fiscal Year 1997 (Public Law 104–201;
16 110 Stat. 2731; 50 U.S.C. 2362 note); and

17 (B) any programs for which funds are
18 made available under the defense nuclear non-
19 proliferation account of the Department of En-
20 ergy.

1 **SEC. 3622. ANNUAL REPORT ON THE USE OF FUNDS APPRO-**
2 **RIATED FOR THREAT REDUCTION AND NON-**
3 **PROLIFERATION IN STATES OF THE FORMER**
4 **SOVIET UNION.**

5 (a) REPORT.—Not later than December 31 of each
6 year, the Secretary of Energy shall submit to Congress
7 a report on the use, during the fiscal year ending Sep-
8 tember 30 of that year, of funds appropriated for threat
9 reduction and nonproliferation programs in the Russian
10 Federation and the other independent states of the former
11 Soviet Union. The report shall be prepared in consultation
12 with the Secretary of Defense and shall include the fol-
13 lowing:

14 (1) A description of the use of such funds and
15 the manner in which such funds are being monitored
16 and accounted for, including—

17 (A) the amounts obligated, and the
18 amounts expended, for such activities;

19 (B) the purposes for which such amounts
20 were obligated and expended;

21 (C) the forms of assistance provided, and
22 the justification for each form of assistance pro-
23 vided;

24 (D) the success of each such activity, in-
25 cluding the purposes achieved for each such ac-
26 tivity;

1 (E) a description of the participation in
2 such activities by private sector entities in the
3 United States and by Federal agencies; and

4 (F) any other information that the Sec-
5 retary of Energy considers appropriate to pro-
6 vide a complete description of the operation and
7 success of such activities.

8 (2) An accounting of the financial commitment
9 made by the Russian Federation, as of the date of
10 the end of the fiscal year covered by the report, to
11 the destruction of its weapons of mass destruction
12 and to threat reduction and nonproliferation pro-
13 grams.

14 (3) A description of the efforts made by the
15 United States to encourage the Russian Federation
16 to continue to maintain its current level of financial
17 commitment at a level not less than the level of its
18 commitment for fiscal year 2003, and the response
19 of the Russian Federation to such efforts.

20 (4) A description of the access provided by the
21 Russian Federation to the United States during the
22 fiscal year covered by the report to the facilities with
23 respect to which the United States is providing as-
24 sistance under threat reduction and nonproliferation
25 programs.

1 (b) CONSULTATION REQUIRED.—In preparing the re-
2 port, the Secretary of Energy shall consult with the chairs
3 and ranking minority members of the following congres-
4 sional committees:

5 (1) The Committee on Armed Services, Com-
6 mittee on Appropriations, and Committee on Inter-
7 national Relations of the House of Representatives.

8 (2) The Committee on Armed Services, Com-
9 mittee on Appropriations, and Committee on For-
10 eign Relations of the Senate.

11 (c) INFORMATION FROM RUSSIAN FEDERATION.—In
12 the case of activities covered by the report that are carried
13 out in the Russian Federation, the Secretary of Energy
14 shall, in preparing the report, include information pro-
15 vided by the Russian Federation with respect to those ac-
16 tivities.

17 (d) DEFINITION.—In this section, the term “threat
18 reduction and nonproliferation programs” has the mean-
19 ing given such term in section 3621.

20 **SEC. 3623. PLAN FOR AND COORDINATION OF CHEMICAL**
21 **AND BIOLOGICAL WEAPONS NONPROLIFERA-**
22 **TION PROGRAMS WITH STATES OF THE**
23 **FORMER SOVIET UNION.**

24 (a) CHEMICAL AND BIOLOGICAL WEAPONS PLAN.—
25 Section 1205 of the National Defense Authorization Act

1 for Fiscal Year 2002 (Public Law 107–107; 115 Stat.
2 1247), as amended by section 1205 of the Bob Stump Na-
3 tional Defense Authorization Act for Fiscal Year 2003
4 (Public Law 107–314; 116 Stat. 2664) is amended—

5 (1) by redesignating subsection (d) as sub-
6 section (e); and

7 (2) by inserting after subsection (c) the fol-
8 lowing new subsection (d):

9 “(d) CHEMICAL AND BIOLOGICAL WEAPONS.—(1)
10 Not later than June 1, 2004, the President shall develop
11 with the President of the Russian Federation and submit
12 to Congress a comprehensive, detailed plan—

13 “(A) to account for, secure, and destroy all
14 chemical and biological weapons, and the chemical
15 and biological materials designed for use in such
16 weapons, that are located in Russia and the inde-
17 pendent states of the former Soviet Union; and

18 “(B) to prevent the outflow from those states of
19 the technology and scientific expertise that could be
20 used for developing those weapons, including delivery
21 systems.

22 “(2) The plan required by paragraph (1) shall include
23 the following:

24 “(A) Specific goals and measurable objectives
25 for the programs that are designed to carry out the

1 objectives specified in subparagraphs (A) and (B) of
2 paragraph (1).

3 “(B) Identification of all significant obstacles to
4 achieving those objectives and the means for over-
5 coming those obstacles.

6 “(C) Criteria for success for those programs
7 and a strategy for eventual termination of United
8 States contributions to those programs and assump-
9 tion of the ongoing support of those programs by the
10 Russian Federation.

11 “(D) Specification of the fiscal and other re-
12 sources necessary in each of the eight fiscal years
13 after fiscal year 2003 to achieve those objectives, in-
14 cluding contributions from the international commu-
15 nity.

16 “(E) Arrangements for United States oversight
17 and access to sites.

18 “(F) Recommendations for any changes—

19 “(i) in the structure or organization of the
20 programs for carrying out those objectives; and

21 “(ii) in regulations or legislation that
22 would increase the efficiency and coordination
23 of those programs or would otherwise con-
24 tribute to the achievement of those objectives.

1 “(3) In developing the plan required by paragraph
2 (1), the President shall consult with—

3 “(A) the majority and minority leadership of
4 the appropriate committees of Congress; and

5 “(B) appropriate officials of the states of the
6 former Soviet Union.

7 “(4)(A) The President, after consultation with the
8 majority and minority leadership of the appropriate com-
9 mittees of Congress, shall designate a senior official of the
10 Executive Branch, and provide that official with sufficient
11 authority and staffing and other resources, to coordinate
12 the programs referred to in paragraph (2)(A).

13 “(B) The President shall designate that official not
14 later than 12 months after the date of the enactment of
15 this subsection.”.

16 (b) REPORT REQUIRED TO COVER BOTH PLANS.—
17 Subsection (e) of section 1205 of the National Defense
18 Authorization Act for Fiscal Year 2002 (Public Law 107–
19 107; 115 Stat. 1247), as redesignated by subsection (a),
20 is amended—

21 (1) in the subsection heading, by striking
22 “PLAN.—” and inserting “PLANS.—”;

23 (2) in paragraph (1)—

24 (A) by striking “January 31, 2003,” and
25 inserting “January 31, 2005,”; and

1 (B) by striking “plan required by sub-
2 section (a)” and inserting “plans required by
3 subsections (a) and (d)(1)”; and
4 (3) in paragraph (2)—

5 (A) in subparagraph (A), by striking “plan
6 required by subsection (a)” and inserting
7 “plans required by subsections (a) and (d)(1)”;
8 and

9 (B) in subparagraphs (B), (C), and (D) by
10 striking “plan” each place it appears and in-
11 serting “plans”.

12 (c) CONFORMING AMENDMENT.—The heading of sec-
13 tion 1205 of the National Defense Authorization Act for
14 Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1247)
15 is amended to read as follows:

16 **“SEC. 1205. PLANS FOR SECURING NUCLEAR WEAPONS, MA-**
17 **TERIAL, AND EXPERTISE OF, AND FOR CO-**
18 **ORDINATING CHEMICAL AND BIOLOGICAL**
19 **WEAPONS NONPROLIFERATION PROGRAMS**
20 **WITH, STATES OF THE FORMER SOVIET**
21 **UNION.”.**

22 (d) EFFECTIVE DATE FOR FIRST REPORT COVERING
23 BOTH PLANS.—The amendments made by subsection (b)
24 shall apply with respect to the first report due after Janu-
25 ary 31, 2004.

1 **Subtitle C—United States—Russia**
2 **Relations**

3 **SEC. 3631. COMPREHENSIVE INVENTORIES AND DATA EX-**
4 **CHANGES ON NUCLEAR WEAPONS-GRADE MA-**
5 **TERIAL AND NUCLEAR WEAPONS.**

6 (a) FINDINGS.—Congress finds that inventories of
7 nuclear weapons-grade material and nuclear weapons
8 should be tracked in order, among other things—

9 (1) to make it more likely that the Russian
10 Federation can fully account for its entire inventory
11 of nuclear weapons-grade material and nuclear
12 weapons; and

13 (2) to make it more likely that the sources of
14 any such material or weapons possessed or used by
15 any foreign state or terrorist organization can be
16 identified.

17 (b) STATEMENT OF POLICY.—To the extent that the
18 President considers prudent, it is the policy of the United
19 States to seek to establish jointly with the Russian Fed-
20 eration comprehensive inventories and data exchanges of
21 Russian Federation and United States nuclear weapons-
22 grade material and nuclear weapons, with particular at-
23 tention to tactical warheads and warheads that are no
24 longer operationally deployed.

1 (c) ASSISTANCE IN DEVELOPING COMPREHENSIVE
2 INVENTORIES.—Notwithstanding any other provision of
3 law, the United States should seek to work with the Rus-
4 sian Federation to develop comprehensive inventories of
5 Russian highly enriched uranium, weapons-grade pluto-
6 nium, and assembled warheads, with special attention to
7 be focused on tactical warheads and warheads that are
8 no longer operationally deployed.

9 (d) DATA EXCHANGES.—As part of the development
10 of inventories under subsection (c), to the maximum ex-
11 tent practicable and without jeopardizing United States
12 national security interests, the United States may ex-
13 change data with the Russian Federation on categories of
14 material and weapons described in subsection (c).

15 (e) REPORT.—Not later than 12 months after the
16 date of the enactment of this Act, and annually thereafter
17 until a comprehensive inventory is created and the infor-
18 mation collected from the inventory is exchanged between
19 the United States and the Russian Federation, the Presi-
20 dent shall submit to Congress a report, in both classified
21 and unclassified form as necessary, describing the
22 progress that has been made toward creating an inventory
23 and exchanging the information.

1 **SEC. 3632. ESTABLISHMENT OF DUMA-CONGRESS NUCLEAR**
2 **THREAT REDUCTION WORKING GROUP.**

3 (a) ESTABLISHMENT OF WORKING GROUP.—There
4 is hereby established a working group to be known as the
5 “Nuclear Threat Reduction Working Group” as an inter-
6 parliamentary group of the United States and the Russian
7 Federation.

8 (b) PURPOSE OF WORKING GROUP.—The purpose of
9 the Working Group established by subsection (a) shall be
10 to explore means to enhance cooperation between the
11 United States and the Russian Federation with respect
12 to nuclear nonproliferation and security, and such other
13 issues related to reducing nuclear weapons dangers as the
14 delegations from the two legislative bodies may consider
15 appropriate.

16 (c) MEMBERSHIP.—(1) The majority leader of the
17 Senate, after consultation with the minority leader of the
18 Senate, shall appoint 10 Senators to the Working Group
19 established by subsection (a).

20 (2) The Speaker of the House of Representatives,
21 after consultation with the minority leader of the House
22 of Representatives, shall appoint 30 Representatives to the
23 Working Group.

1 **SEC. 3633. JOINT UNITED STATES/NORTH ATLANTIC TREA-**
2 **TY ORGANIZATION COOPERATION WITH RUS-**
3 **SIA ON THEATER-LEVEL BALLISTIC MISSILE**
4 **DEFENSES.**

5 (a) **POLICY.**—It is the policy of the United States
6 that the President should seek to ensure that the United
7 States takes the lead in arranging for the United States,
8 in conjunction with the North Atlantic Treaty Organiza-
9 tion, to enter into appropriate cooperative relationships
10 with the Russian Federation with respect to the develop-
11 ment and deployment of theater-level ballistic missile de-
12 fenses.

13 (b) **PURPOSE OF COOPERATIVE RELATIONSHIPS.**—It
14 is the policy of the United States—

15 (1) that the purpose of the cooperative relation-
16 ships described in subsection (a) is to increase trans-
17 parency and confidence with the Russian Federation;

18 (2) that United States defense and security co-
19 operation with the Russian Federation should con-
20 tribute to defining a new bilateral strategic frame-
21 work that is not rooted in the concept of “mutual
22 assured destruction”; and

23 (3) that that new bilateral strategic framework
24 should be based upon improving the security of the
25 United States and the Russian Federation by pro-

1 moting transparency and confidence between the two
2 countries.

3 (c) REPORT TO CONGRESS.—Not later than one year
4 after the date of the enactment of this Act, the President
5 shall transmit to Congress a report (in unclassified or clas-
6 sified form as necessary) on the feasibility of increasing
7 cooperation with the Russian Federation on the subject
8 of theater-level ballistic missile defenses and on the pur-
9 poses and objectives set forth in subsection (b). The report
10 shall include—

11 (1) recommendations from the Department of
12 Defense and Missile Defense Agency;

13 (2) a threat assessment; and

14 (3) an assessment of possible benefits to missile
15 defense programs of the United States.

16 **SEC. 3634. ENCOURAGEMENT OF ENHANCED COLLABORA-**
17 **TION TO ACHIEVE MORE RELIABLE RUSSIAN**
18 **EARLY WARNING SYSTEMS.**

19 (a) FINDINGS.—Congress finds that—

20 (1) the innovative United States-Russian space-
21 based remote sensor research and development pro-
22 gram known as the Russian-American Observation
23 Satellite (RAMOS) program addresses a variety of
24 defense concerns while promoting enhanced trans-

1 parency and confidence between the United States
2 and the Russian Federation; and

3 (2) an initial concept of co-orbiting United
4 States and Russian satellites for simultaneous stereo
5 observations is complete and should be continued.

6 (b) POLICY.—To the extent that the President con-
7 siders prudent, it is the policy of the United States—

8 (1) to encourage joint efforts by the United
9 States and the Russian Federation to reduce the
10 chances of a Russian nuclear attack anywhere in the
11 world as the result of misinformation or miscalcula-
12 tion by developing the capabilities and increasing the
13 reliability of Russian ballistic missile early-warning
14 systems, including the Russian-American Observa-
15 tion Satellite (RAMOS) program; and

16 (2) to encourage other United States-Russian
17 programs to ensure that the Russia Federation has
18 reliable information, including real-time data, re-
19 garding launches of ballistic missiles anywhere in the
20 world.

21 (c) INTERIM RAMOS FUNDING.—To the extent that
22 the Secretary of Defense considers prudent, the Secretary
23 of Defense shall ensure that, pending the execution of a
24 new agreement between the United States and the Rus-
25 sian Federation providing for the conduct of the RAMOS

1 program, sufficient amounts of funds appropriated for
2 that program are used in order to ensure the satisfactory
3 continuation of that program during fiscal years 2004 and
4 2005.

5 **SEC. 3635. TELLER-KURCHATOV ALLIANCE FOR PEACE.**

6 (a) FINDINGS.—Congress finds that—

7 (1) Edward Teller of the United States and
8 Igor Kurchatov of the former Soviet Union were ar-
9 chitects of the nuclear weapons programs in their re-
10 spective countries;

11 (2) these outstanding individuals both expressed
12 a longing for peace and opposition to war; and

13 (3) as the United States and the Russian Fed-
14 eration work together to redirect the nations of the
15 world towards the peaceful use of nuclear energy,
16 seeking to improve the quality of life for all human
17 beings, it is appropriate to establish an alliance for
18 peace in the names of Edward Teller and Igor
19 Kurchatov.

20 (b) TELLER-KURCHATOV ALLIANCE FOR PEACE.—

21 (1) To the extent that the Secretary of Energy considers
22 prudent, the Secretary shall seek to enter into an agree-
23 ment with the Minister of Atomic Energy of the Russian
24 Federation to carry out a cooperative venture, to be known
25 as the Teller-Kurchatov Alliance for Peace, to develop and

1 promote peaceful, safe, and environmentally sensitive uses
2 of nuclear energy.

3 (2) The cooperative venture referred to in paragraph
4 (1) shall involve the national security laboratories of the
5 National Nuclear Security Administration and the labora-
6 tories of the Ministry of Atomic Energy and the
7 Kurchatov Institute of the Russian Federation.

8 (3) The cooperative venture shall be directed by two
9 co-chairs, one each from the United States and the Rus-
10 sian Federation. The co-chair from the United States shall
11 serve for a term of two years and shall be designated by
12 the Administrator for Nuclear Security from among offi-
13 cials of the three national security laboratories, with each
14 laboratory represented on a rotating basis.

15 **SEC. 3636. NONPROLIFERATION FELLOWSHIPS.**

16 (a) IN GENERAL.—(1) From amounts made available
17 to carry out this section, the Administrator for Nuclear
18 Security may carry out a program under which the Ad-
19 ministrator awards, to scientists employed at the
20 Kurchatov Institute of the Russian Federation and Law-
21 rence Livermore National Laboratory, international ex-
22 change fellowships, to be known as Teller-Kurchatov Fel-
23 lowships, in the nuclear nonproliferation sciences.

24 (2) The purpose of the program shall be to provide
25 opportunities for advancement in the field of nuclear non-

1 proliferation to scientists who, as demonstrated by their
2 academic or professional achievements, show particular
3 promise of making significant contributions in that field.

4 (3) A fellowship awarded to a scientist under the pro-
5 gram shall be for study and training at (and, where appro-
6 priate, at an institution of higher education in the vicinity
7 of)—

8 (A) the Kurchatov Institute, in the case of a
9 scientist employed at Lawrence Livermore National
10 Laboratory; and

11 (B) Lawrence Livermore National Laboratory,
12 in the case of a scientist employed at the Kurchatov
13 Institute.

14 (4) The duration of a fellowship under the program
15 may not exceed two years. The Administrator may provide
16 for a longer duration in an individual case to the extent
17 warranted by extraordinary circumstances, as determined
18 by the Administrator.

19 (5) In a calendar year, the Administrator may not
20 award more than—

21 (A) one fellowship to a scientist employed at the
22 Kurchatov Institute; and

23 (B) one fellowship to a scientist employed at
24 Lawrence Livermore National Laboratory.

25 (6) A fellowship under the program shall include—

1 (A) travel expenses;

2 (B) any tuition and fees at an institution of
3 higher education for study or training under the fel-
4 lowship; and

5 (C) any other expenses that the Administrator
6 considers appropriate, such as room and board.

7 (b) FUNDING.—Amounts available to the Depart-
8 ment of Energy for defense nuclear nonproliferation ac-
9 tivities shall be available for the fellowships authorized by
10 subsection (a).

11 (c) DEFINITIONS.—In this section—

12 (1) the term “institution of higher education”
13 means a college, university, or other educational in-
14 stitution that is empowered by an appropriate au-
15 thority, as determined by the Administrator, to
16 award degrees higher than the baccalaureate level;

17 (2) the term “nuclear nonproliferation sciences”
18 means bodies of scientific knowledge relevant to de-
19 veloping or advancing the means to prevent or im-
20 pede the proliferation of nuclear weaponry; and

21 (3) the term “scientist” means an individual
22 who has a degree from an institution of higher edu-
23 cation in a science that has practical application in
24 the field of nuclear nonproliferation.

Subtitle D—Other Matters

**SEC. 3641. PROMOTION OF DISCUSSIONS ON NUCLEAR AND
RADIOLOGICAL SECURITY AND SAFETY BE-
TWEEN THE INTERNATIONAL ATOMIC EN-
ERGY AGENCY AND THE ORGANIZATION FOR
ECONOMIC COOPERATION AND DEVELOP-
MENT.**

(a) FINDINGS.—Congress finds that—

(1) cooperative programs to control potential threats from any fissile and radiological materials, whatever and wherever their sources, should be expanded to include additional states and international organizations; and

(2) addressing issues of nuclear weapons and materials, as well as the issue of radiological dispersal bombs, in new forums around the world is crucial to the generation of innovative mechanisms directed at addressing the threats.

(b) SENSE OF CONGRESS REGARDING INITIATION OF DIALOGUE BETWEEN THE IAEA AND THE OECD.—It is the sense of Congress that—

(1) the United States should seek to initiate discussions between the International Atomic Energy Agency and the Organization for Economic Cooperation and Development for the purpose of exploring

1 issues of nuclear and radiological security and safe-
2 ty, including the creation of new sources of revenue
3 (including debt reduction) for states to provide nu-
4 clear security; and

5 (2) the discussions referred to in paragraph (1)
6 should also provide a forum to explore possible
7 sources of funds in support of the G-8 Global Part-
8 nership Against the Spread of Weapons and Mate-
9 rials of Mass Destruction.

10 (c) REPORT.—Not later than 12 months after the
11 date of the enactment of this Act, the President shall sub-
12 mit to Congress a report on—

13 (1) the efforts made by the United States to
14 initiate the discussions described in subsection (b);

15 (2) the results of those efforts; and

16 (3) any plans for further discussions and the
17 purposes of such discussions.

Passed the House of Representatives May 22, 2003.

Attest:

JEFF TRANDAHL,

Clerk.